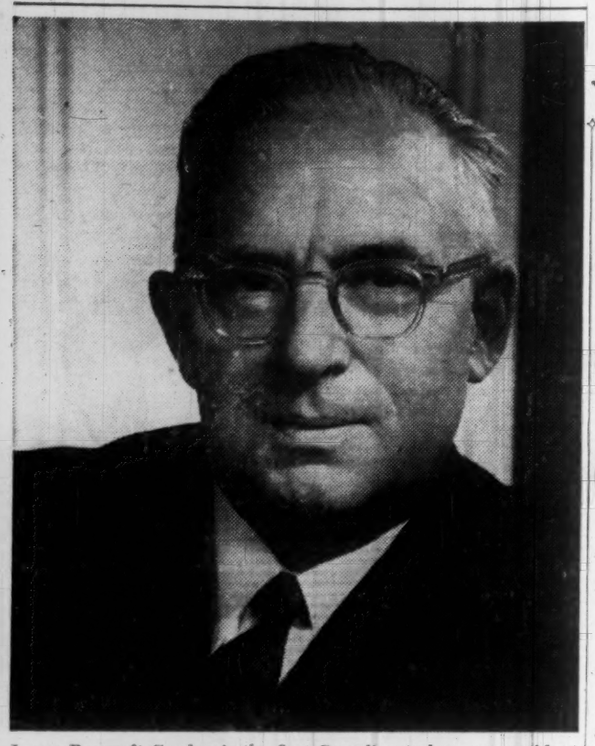
The Financial Post

25 cents

Canada's National Weekly of Business, Investment and Public Affairs.

Vol. LIV | Member of Audit Bureau of Circulations | ★ | Publication Office: Toronto, May 7, 1960 | ★ | Twenty-five Cents an issue, Eight Dollars a Year | No. 19

Inco's New President



James Roycroft Gordon is the first Canadian to become president of International Nickel Co. of Canada, the dominant force in the world nickel industry that reported a 1959 net profit of more than $85 million. His election highlighted a general series of promotions in Inco, as the company gets ready to enter a new period of growth with completion next year of its giant mining-smelting-refining project in northern Manitoba. For a look at Gordon's approach and other Inco excutive changes, p. 33.

NATION'S BUSINESS

He Charts a Fresh Course for Canada

Hugh Llewellyn Keenleyside, in over 30 years of distinguished public service — both in Canada and with the United Nations — has rightfully gained a reputation as an able administrator and an imaginative policy-maker. Few Canadians, in short, deserve a better hearing. He says:

"We should work out a system of *selective free trade* with the selection based on the willingness of U. S. companies to allocate an appropriate portion of their total [North American] production to factories established in Canada.

"There is no reason why it should not be extended to any country that is willing to meet the basic qualification: The establishment of new factories in Canada and free access for its products to the consumer market of the other country."

How would this benefit Canada? In the auto industry, for example, Keenleyside proposes that the U. S. car makers each divide their production and build certain models exclusively in Canada. All other models would be made in the U. S. Canadian and U. S. tariffs on cars would be wiped away. Factories in each country would have the entire North American economy for a market. (see p. 25.)

This is an exceedingly controversial proposal. It has been attacked already as a plan for economic union with the U. S. —which it isn't. It could, in practice, be limited, complicated and difficult indeed, to achieve.

But the hard truth is this: Keenleyside belongs to that small group of select Canadians who have the faith and ability to look afresh at Canada's cankerous problems of economic well-being and political independence.

There is no doubt that Canada has worked herself into a dangerous, difficult position. For two or three generations, the problems of commercial policy have been looked at from a wholly doctrinaire point of view. We have been acting—in GATT, for example—on the naive theory that we live in a static world of specialization whereby each country produces only what it produces best. With heavily supported industries in all nations, no stand could be further from reality.

Keenleyside's program draws upon tested wartime experience which made the maximum beneficial use of resources and productive machinery in both countries.

Canada and the U. S. drew together on a "selective" basis and to mutual advantage then.

Are the realities of today much different?

His views should be carefully considered by all Canadians who are honestly concerned about the health of the Canadian economy.

* * *

Competition—Or Slaughter?

If Hugh Keenleyside proposes daring solutions for national problems, two other prominent Canadians show clearly, indeed, why imaginative, new policies are needed.

1. Herbert H. Lank, president of Du Pont of Canada Ltd., says Canadians are fooling themselves if they go along with the popular idea that this is fast becoming an industrialized nation. His facts:

"In 1940, manufacturing accounted for 26.7% of our gross domestic product; in 1943, under the spur of wartime needs, it rose to 31.8%, but has declined ever since. In 1958, it stood at 26.3% virtually unchanged since 1940. This fact is inescapable: We have not grown industrially as quickly as we should have or could have."

Canada's population is now 17¾ million and will bound up 27% to 22½ million by 1970. There will be something like a 43% increase in the job-seeking, teenage population alone. Unless the pace of industrialization quickens, there may well not be enough jobs to go around.

2. Stuart M. Finlayson, president of Canadian Marconi Co., doubts that we can meet the new and growing intensity of foreign competition:

"In Japanese factories, the maximum wage rate per day is something less than $1.50 per day per girl and we, in our electronic factories in Montreal and Toronto pay up to $1.50 per hour. . . . But more startling still is to hear of a prominent Japanese radio manufacturer moving in to Hong Kong to take advantage of the cheap labor and commonwealth preference."

To compete successfully and to develop our own manufacturing industry, Canadian management must comb over its methods, put an end to feather-bedding and consider how tax burdens can be reduced, says Finlayson. Be selective in our imports so as to cause least disruption to long-established industries which employ many Canadians, says Lank.

Whatever national objectives are devised, this much is certain: We must abandon the use of 19th century attitudes in coping with a fast-changing 20th century world.

'FULL CONCEPT'

Vital Challenge To Trade Stamps Coming to Court

Watch this Ontario case, which may affect trading stamp operations across Canada . . .

By JOHN IRWIN

Another round — possibly a vital round — in the trading stamp battle will come before a Toronto Magistrates Court next week.

Blue Chip Premium Co. of Scarborough, Ont., will answer charges that it sold trading stamps to two Metro Toronto merchants.

The full concept of the law governing trading stamps is expected to be challenged.

A decision on this concept could settle the issue of trading stamp operations from coast to coast.

This case, the first of its kind in Canada, was prepared under orders of Ontario's Attorney General Kelso Roberts (FP, Feb. 6).

While Blue Chip Premium will answer charges under Section 369 of the Criminal Code which, in essence, forbids the sale of stamps to merchants for use in his business, the case may turn on a phrase in another section of the Code.

This will be an interpretation by the court of the words "may" and "includes" in section 322, which reads "trading stamps includes coupons, premiums, etc. . . . may be redeemed."

It is possible if the court rules that "may" means "is capable" and if "includes" is not held to be a restrictive word then the whole operation of trading stamps is open to question — particularly in Ontario and possibly throughout Canada.

Charges against Blue Chip Premium were laid by David A. Gilbert.

Gilbert, general manager of the Retail Merchants Association, told FP:

"We have co-operated with the Attorney-General's department because we want clarification of the law."

Charles L. Dubin, prominent Toronto lawyer, has been briefed by the Attorney-General to handle the Crown's case.

A defence lawyer has not yet been named.

Montreal Closer to Europe Air Fares Finally Show It

By CLIVE BAXTER

Beginning this month, Canadians who want to fly to Europe via New York have to pay something extra for the privilege.

It could mean some increased business for flights from Montreal across the Atlantic.

Behind this change is the long-delayed recognition by International Air Transport Association that Montreal is roughly 300 mi. closer to main European traffic points than is New York.

Before the change, the difference in miles flown was not reflected in a proportional fare differential.

Until May 1 it worked out that a passenger flying economy class from Montreal to London, direct, paid $252.

If, however, he preferred a routing via New York he paid only $5 more, making up the basic New York-to-London rate.

Now the Montreal-to-London economy fare is $254 one-way, while New York to London is $270, or $16 more.

The Canadian flying Montreal - New York - London still pays the basic New York to London fare and gets his trip to New York thrown in free.

A traveler departing from Toronto now pays $270 for a direct flight, $297 if he goes via New York.

From Oct. 1, when off-season rates start, Canadians continue to get an advantage.

The 17-day economy class excursion round-trip fare by jet between Montreal and London will be $320, while from New York it will be $350.

In the older propeller-driven planes the equivalent figures will be $299 and $329.

Signs & Portents

FACTORY - MADE ROADS: They're rolling roads out of factories in Germany. While crews clear and grade the right-of-way, 8-in. thick concrete blocks are cast, set on a pad of gravel and topped with asphalt — all in a factory. The technique saves four to five weeks in construction time.

* * *

IF THE SHOE fits, wear it for publicity purposes anyway. A Canadian manufacturer of leather moccasins (who's selling them in the U. K.) says that many Europeans think Canadians wear Indian moccasins as much as the Dutch are supposed to wear wooden shoes. Ugh! White-collar braves get heap sore toes in streetcar!

* * *

COLORED ALUMINUM car bumpers? Aluminum companies are bidding hard for this big tonnage business. They claim the lighter metal is effective, doesn't suffer permanent deforming as easily as steel, can be anodized to desired colors. Aluminum bumpers could be extruded. This might mean Canadian production. Steel bumpers are mostly imported because of high die costs.

* * *

PLAID MAD: New York stores offer large checkered blue and green tartan bed sheets. Rather silly, but think of the pun possibilities, such as "partin' the tartan" or "glad plaids for sad dads."

Inside

Cure for Our Lopsided U. S. Trade?

Hugh Keenleyside says something can be done about it. He suggests a big remedy for a big problem. .... p. 25

Trend in Farm Animal Drugs

This bustling Quebec manufacturer of medicines for animal ills may be setting an important trend in veterinary medicine. ..... p. 38

Opposition Rises Against Quoddy

The Passamaquoddy tidal power scheme could lead to hard feelings between Canada and the U. S. and lots of bickering in the Maritimes. ..... p. 22

Record Year 'Almost Sure' For Pulp & Paper Industry

By JACK McARTHUR

MONTREAL (Staff) — Major pulp and paper products showed thumping gains in production and sales during the first quarter.

A record year now is regarded as near-certain for the industry.

March was a particularly good month for wood pulp and paperboard.

In the first quarter:

- **With good gains** for both chemical pulp and groundwood, production of wood pulp was up 10.9% to 2.7 million tons. Use in Canada and exports were up by about the same percentage.
- **Paperboard output** jumped 13.8% to 243,840 tons. Exports — whose buoyancy has been a recent feature—bounced 35.3% higher.
- **Wrapping paper** output was up 2.1%, and use in Canada rose 2.3%.
- **It has already** been announced (FP, April 23) that newsprint output was 11.4% higher, with shipments up 12.8%.
- **Although full** first quarter figures haven't been announced, fine paper, the other major product of the $1.6 billion pulp and paper industry, has also been showing improvement this year.

See table, p. 9.

How to Put Sentiment In a Cold, Cold Will

By VINCENT EGAN

Like to follow the example of the sentimental surgeon, whose will — probated recently —provides a dozen red roses for his widow every Christmas?

Bequests like this are easily made by a paragraph in the will.

Here are two ways:

- **Set up a special fund** of a few hundred dollars, with the interest ear-marked for the roses ($300 at 5% would allow about $15 a year).
- **If the estate is trusteed**, direct that the roses be bought each year out of the income.

Another clause can tell what should be done with the capital involved when your wife dies.

How long would she get the gift?

Here are life expectancies of Canadian women:

Present Age	Years
40	35.63
50	26.80
60	18.64

Wabush Freight Rate Fate May be Settled Next Week

By LESLIE WILSON

OTTAWA (Staff) — A fight about iron ore freight rates that could have an impact on iron developments in the Wabush Lake area of Labrador may be settled May 12 in the Senate.

At issue in two incorporation bills:

Who would set the freight rates that **Quebec North Shore & Labrador Railway** would charge **Wabush Iron Co.**

Wabush is a group of U. S. and Canadian steel firms planning a $200 million development at Wabush Lake.

Quebec North Shore is the line that brings iron ore down from Schefferville to Seven Islands. It is owned by **Iron Ore Co. of Canada.**

Wabush Iron plans to ship iron concentrates west along a 40-mi. line that would be jointly owned with **Carol Lake Co.** — a subsidiary of Iron Ore Co. that's opening up new mines adjacent to Wabush in a $150 million project.

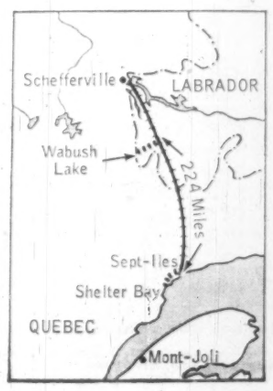
This spur connects with the Quebec North Shore line at mile 224. Wabush concentrates would move south for 216 mi. to join the Arnaud Railway which is to run 20 mi. west to docks at Pointe Noire on the north shore.

If the Wabush and Arnaud railways are federally incorporated, their rates would come under the jurisdiction of the Board of Transport Commissioners.

The big question for Wabush Iron: How much is QNS going to charge it for the 216-mi. "mainline" haul?

This would permit early settlement by the board of a "through" rate from Wabush Lake deposits to docks. Otherwise, Wabush Iron says it would have to wait five years.

Wabush Iron wants a definite cost figure so that it can decide on the economic feasibility of its plans.



Dress Firms Seek More U. K. Sales

By ERIC RICHTER

Another group of Montreal garment makers will set up shop in London next month in a bid for a bigger slice of the U. K. clothing market.

Montreal Dress & Sportswear Manufacturers' Guild organized the sales trip for nine Montreal-area manufacturers.

Details, p. 18.

A similar expedition last November resulted in orders worth well over $200,000 (FP, Dec. 19).

Garments will include Canadian-made dresses, blouses, sportswear and maternity outfits. Retail price of dresses ranges from $15 to $55, from junior miss to elegant cocktail fashions.

Canadian garment makers hope they can boost exports to the U. K. to $3 million a year.

NATIONAL VIEW

House Building Trend Could 'Go Anywhere'

The housing market is unpredictable right now, and the next month or six weeks should set the pattern . . .

By FORBES GILBERTSON

Housing sales are starting to pick up, and there seem to be no real soft spots.

Over-all picture for Canada: Slightly over a normal two weeks' supply of housing units, but completions are also up slightly over last year to date.

The housing picture has never been in a more unpredictable state, but the next month or six weeks should provide a definite pattern for the rest of the year.

Trend to note: There has been a big step-up in advertising in all media by the housebuilding industry, especially in Metro Toronto. This is going to grow.

Of the total completed, unoccupied homes and duplexes, about one third were in Toronto alone.

In this key centre, major area of concern in the past few months, there's about a normal month's supply.

There are about 1,147 houses and duplexes completed, unoccupied at the end of March, 1960, compared to 1,061 a year ago — but completions were up for the first two months alone to 2,170 from 1,578 for the same period one year ago.

Now experts on the Metro To-

(Continued on page 9, col. 2)

Half Canada Due to Vote This Summer

In five provincial elections scheduled for this summer and early fall, voters are expected to put the same governments back in office, a survey by FP correspondents across Canada indicates.

Elections are due in: British Columbia, Saskatchewan, Quebec, Nova Scotia and New Brunswick.

In the other five provinces — Alberta, Manitoba, Ontario, Prince Edward Island and Newfoundland — the governments have two or three more years to run before they have to renew their mandate.

Most provinces favor June as election month since roads are in good condition, farmers haven't started their harvest and the summer exodus from the cities has not begun.

For a province-by-province report on the political climate, p. 3.

Investment Spotlight On Uranium

By FRANK KAPLAN

The uranium industry held investor attention this week as:

- **Stanleigh Uranium** asked for new bids for its uranium sales contract.
- **Denison Mines** reported increased profits in the first quarter.
- **Gunnar Mines** told of lower profits in 1959 because of forced cutbacks in shipments.
- **Rio Tinto Group's** uranium producers showed improved earnings in the first quarter of 1960 as they prepared to merge into a new company.

Details on Denison, Gunnar, the Rio Tinto group, p. 46.

A series of meetings by Stanleigh directors failed to decide on bids made for the some five million lb. of uranium concentrates left in the Stanleigh contract (FP, April 16, 23).

Result: Bids returned with the request that new bids be made by May 5.

Best bid, FP learns, was made by the Rio Tinto Group.

It included provision for full repayment of obligations and what is said to be the equivalent of 30c a Stanleigh share in the form of redeemable preferred stock.

However, Stanleigh officials could not be reached for comment.

Stanleigh Uranium 6½% general mortgage bonds dropped to about $83 per $100 from a recent $90 level, bond dealers reported.

How Much Boom?

The Outlook

An FP roundup of the latest facts and expert opinion on the economic weather ahead . . .

By DALTON ROBERTSON

IF THE 1957-58 downslide in business was called the gentle recession, **there's little doubt now that the current expansion can be labeled the reluctant boom.**

There are, let it be granted, enough plus factors to carry the Canadian economy along for a good number of months at what is historically a very high level of income and activity.

Sturdy export demand, especially for Canada's natural resource items, and rising spending on capital projects are examples of the firm underpinning that exist.

But it is difficult at this time of hesitation in the economy to see how enough steam could be built up to put pressure on supplies of men, materials and money.

Here are some of the straws in the wind. Some blow upward; quite a few are drifting downward, temporarily anyway.

Industrial production subsided in February by 1.7% after all purely seasonal influences are removed from the output figures. Some of the decline took place in non-durable manufacturing, but **most of it is accounted for by a 2.9% drop in the production of durables.** Iron and steel products were down 4%, transportation equipment off 9% and auto production down 20%.

By contrast: A year earlier, output rose by 1.5%; two years

(Continued on page 8, col. 3)

TRANS CANADA PIPE LINE

The building of the Trans Canada Pipe Line has been compared with the building of the St. Lawrence Seaway and the first Trans Continental Railway. A 2,290 mile steel artery stretching from Alberta to Montreal, this is the longest pipeline in the world.

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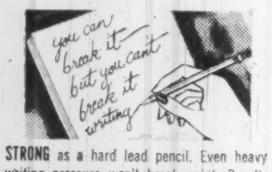

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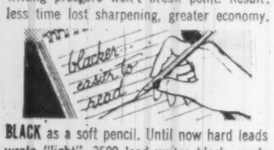

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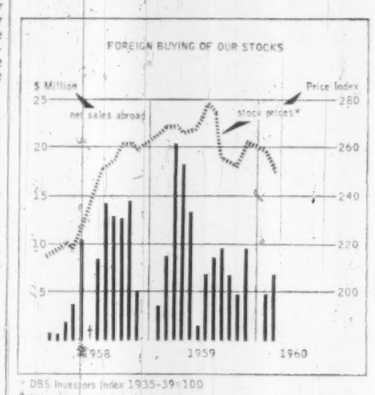
Trend of Business

Net sales of Canadian common and preference stocks in other countries totaled $6.6 million in February, compared with $4.8 million month before and $8.5 million a year ago. Month's transactions comprised sales to foreign buyers of $35.3 million and purchases from foreign sellers of $28.7 million. Net sales in full year 1959 amounted to $112 million vs. $88 million in 1958, $188 million in 1956, $129 million in 1954 and $72 million in 1952.



* DBS Investors Index 1935-39=100
† Nil: sales equaled purchases

Industrial production takes a breather. Canada's seasonally adjusted index of industrial production (1949 = 100) slipped 1.7% to 170.2 in February from revised January level of 173.1. (Dominion Bureau of Statistics has revised the index back to January, 1958.) Latest month's figure is 5.1% higher than 162.0 a year ago and 12% above 151.9 in February, 1958.

Manufacturing production registered a 2.5% decline from the previous month. Output of durables dropped 2.9% with wood products and iron and steel products both down 4% and transportation equipment down 9%. Decreases in non-durables (down 2%) ranged from 1% in foods and beverages and clothing products to 10% in tobacco products. Mining production and output of electric power and gas utilities each gained 1%.

Canada's gold, nickel and copper mines turned out more in first two months this year than in like 1959 period. Gold production rose 2% to 748,736 oz. from 734,138 oz. a year ago. Output of nickel was up 63.3% at 33,834 tons (20,663 tons), while copper production showed a 37% gain to 72,228 tons (52,685 tons).

Auto sales ahead of last year. Sales of new motor vehicles in February totaled 40,169 units, 8.5% above 37,037 year ago, placing first two months total 4.2% ahead of last year at 72,296 units (69,394). Retail value in two-month period: $223.9 million ($218.4 million). February sales of passenger cars rose 9.2% to 34,162 units (31,270 last year), including 8,777 (6,390) foreign-made cars.

Suds makers' sales up. Domestic sales of beer in March totaled 677,686 bbl., up 3.3% from 656,114 bbl. a year ago, placing sales for the first three months of 1960 5.4% ahead of last year at 1,812,836 bbl. (1,720,167 bbl.).

Cheque cashings set new record. Value of cheques cashed in February was $22,046 million, an increase of 24% over $17,730 million a year ago. This placed first two months' total at an all-time high for the period of $43,026 million, 12.6% above $38,200 million last year.

Major Weekly Indicators

	Latest or Week	Date Ended	Previous Week	Change from Month ago %	Change from Year ago %
Passenger car production	(Apr. 30)	9,173	8,975	+ 17.5	+ 17.2
Truck production	(Apr. 30)	1,860	1,873	— 3.9	— 10.8
Bus. fail. 4-wk. moving av. (no.)	(Apr. 21)	33.0	38.8	— 22.0	+ 17.8
Steel ingot production .. (tons)	(Apr. 23)	118,211	109,441	— 7.5	+ 2.9
Steel production .. (% capacity)	(Apr. 23)	91.5	84.7	— 7.5	— 3.3
T.S.E. industrial index	(May 3)	488.54	488.40	— 1.6	— 8.6
Yield 114 stocks	(May 2)	4.82%	4.78%	+ 1.3	+ 20.8
Chartered banks					
Personal savings . ($ millions)	(Apr. 20)	7,071	7,054	+ 0.9	— 0.5
Loans outstanding ($ millions)	(Apr. 20)	6,054	6,109	+ 0.7	+ 4.6
NHA mtge hldgs . ($ millions)	(Apr. 20)	980	979	——	+ 17.9
Bank clearings					
Montreal ($ millions)	(Apr. 29)	1,016	1,162	+ 3.8	+ 3.8
Toronto ($ millions)	(Apr. 29)	1,409	1,379	+ 1.5	+ 13.6
Cdn. dollar (U.S. cents av.)	(May 3)	103.606	103.680	— 0.9	— 0.3
Carloading totals	(Apr. 14)	67,467	64,336	+ 0.4	— 5.7
Eastern Canada	(Apr. 14)	44,810	42,852	+ 4.7	— 1.4
Western Canada	(Apr. 14)	22,657	21,484	— 7.1	— 13.2
Iron and steel mfg.	(Apr. 14)	1,254	1,312	— 12.6	+ 12.2
Ores, concentrates	(Apr. 14)	4,790	4,043	+ 34.9	+ 12.6
Base metals	(Apr. 14)	660	706	+ 2.0	+ 8.0
Lumber, timber, plywood	(Apr. 14)	3,629	3,489	— 6.2	— 18.0
Cement	(Apr. 14)	475	403	+ 82.7	— 4.8
Bank of Canada holdings of					
Securities ($ millions)	(Apr. 27)	2,667	2,670	+ 1.8	+ 0.3
Short-term govt. ($ millions)	(Apr. 27)	862	869	+ 5.6	+ 185.4
Long-term govt. ($ millions)	(Apr. 27)	1,730	1,726	——	— 24.4
Other securities ($ millions)	(Apr. 27)	14	14	——	+ 7.7
Department store sales					
% change from year earlier	(Apr. 16)	+1.0	+18.5	— 2.2	+ 13.7

Facts by the Month

	Latest Month	One Month Previous	Change From Two Months Ago %	Change From Year Ago %
WHAT WE PRODUCE—				
•In all industries (Index)	Feb. 169.3	165.6	+4.2	+5.1
•In factories (Index)	Feb. 149.0	143.8	+4.1	+3.9
•Total nondurable goods (Index)	Feb. 147.9	143.2	+2.9	+4.0
Food & bev.	Jan. 121.6	134.4	—20.8	+4.1
Textiles	Jan. 124.7	115.7	—3.5	+8.0
Clothing	Jan. 113.1	107.5	—2.6	+6.5
Chemical products	Jan. 192.7	193.1	—3.8	+5.7
•Total durable goods (Index)	Feb. 150.4	148.8	+5.4	+3.9
Iron & steel products	Jan. 142.3	144.8	—8.7	+14.6
Primary iron & steel	Jan. 180.4	180.8	—6.6	+24.9
•From mines (Index)	Feb 259.6	254.2	+3.3	+5.9
Metals	Jan 189.2	194.0	—9.6	+13.1
Nonferrous smelting, refining	Jan 144.1	156.1	—7.1	+12.4
Gold	Jan. 109.8	105.9	—6.5	+3.9
—From farms				
Cattle delivered (000)	Feb. 139	157	—2.8	+19.8
Hogs graded (000)	Feb. 548	641	—30.1	—11.3
Grain mill products (Index)	Jan. 123.5	123.2	—12.4	—3.7
—From sea				
•East Coast catch ($000)	Mar. 1,699	1,939	+39.8	—5.3
•West Coast catch ($000)	Mar. 250	609	—26.9	—64.5
—From forests				
Newsprint (000 tons)	Mar. 575	534	+9.1	+12.3
Pulp (000 tons)	Feb. 889	890	+0.2	+12.4
—In powerhouses				
Electricity (million kwh.)	Feb. 9,430	9,880	—3.3	+16.5
WHAT WE SELL—				
Retail sales ($ millions)	Feb. 1,118	1,161	—30.0	+3.0
Dept. store sales ($ millions)	Feb. 87.9	91.8	—54.3	+2.0
Wholesale sales ($ millions)	Jan. 619	679	—3.7	+4.4
Mfrs. outstdg. orders ($ millions)	Feb. 2,205	2,226	+2.1	+10.7
•Pass. car sales (units)	Feb. 34,162	27,141	+46.1	+9.2
WHAT'S ON HAND—				
Mfrs. inventories ($ millions)	Feb. 4,472	4,405	+1.9	+7.8
Dept. store stock sales ratio	Feb. 3.4	3.9	+78.9	+9.7
SPENDING, SAVING POWER—				
Labor income ($ millions)	Jan. 1,459	1,482	—3.8	+8.3
Dividend pay'ts. (Index) (annual rate)	Mar. 318.3	318.3	+0.5	+6.0
JOBS—				
Persons with jobs (000)	Mar. 5,668	5,663	—0.6	+2.1
Jobless seeking work (000)	Mar. 566	555	+12.3	+7.8
Do (% of labor force)	Mar. 9.1	8.9	+12.3	+5.8
CONSTRUCTION—				
Contract awards ($ millions)	Mar. 188	214	—12.2	—7.4
FOREIGN TRADE—				
•Exports ($ millions)	Mar. 440	430	+4.3	+15.4
•Imports ($ millions)	Mar. 476	454	+19.9	+9.9
MONEY—				
•Money supply ($ millions)*	Feb. 12,550A	12,750A	—1.9	—1.3
•Cheques cashed ($ millions)	Feb. 22,046	20,980	—10.0	+24.3
Life insurance sales ($ millions)	Feb. 562	436	—11.2	+7.5
Notice deposits ($ millions)	Feb. 7,555	7,515	+1.3	—0.9
•Current public loans ($ millions)	Feb. 6,053A	6,058	—1.5	+11.3

*Total deposits, less Govt. of Canada deposits, less float, plus notes in circulation outside the banking system. APreliminary.

PRICES—					
Consumer prices (Index)	Mar.	126.9	127.2	—0.5	+1.1
Wholesale prices (Index)	Mar.	229.6	230.0	—0.4	—0.4

STRATEGIC MATERIALS—Production and Supply—

	Latest Month		Month yr. ago	Yr. to date	% chge. yr to date
Steel ingots and castings (000 tons)	Feb.	552	437	1,121.5	+24.8
•Nickel (000 tons)	Feb.	16.4	12.6	33.8	+63.3
•Primary copper (000 tons)	Feb.	35.8	28.0	72.2	+37.0
Lumber exports (million fbm.)	Jan.	312	252	312	+23.8
Lumber (millions fbm.)	Jan.	589	567	589	+3.9

•New item this week
Index based: production 1949=100; consumer price index 1949=100; wholesale price index 1935-39=100.

Look For It Here

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Offer Employees Aluminium Stock

MONTREAL (Staff) — **Aluminium Ltd.** is offering 300,000 shares to employees under a fourth such stock purchase plan. Some 4,000 of its workers presently are shareholders in the big company.

About 25,000 will be eligible to buy stock. Price will be $25 or about 85% of recent price on the Montreal Stock Exchange.

Ontario Steel Net Soars 51%

Net earnings of **Ontario Steel Products Co.**, Toronto, for six months ended March 31, 1960 (first half of fiscal year), rose 51% to $364,165 ($1.44 per share) from $241,239 (94c) a year ago.

Added volume of export business contributed to increased earnings, President E. S. Byers says. Production of passenger cars in Canada was lower, while commercial vehicle production showed a slight increase.

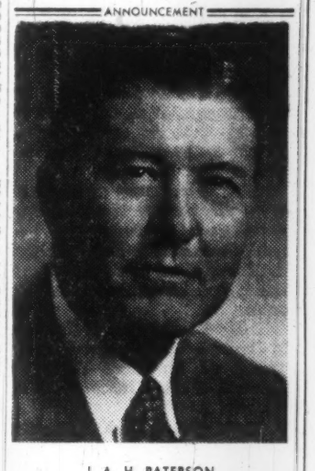
Continued importation of foreign-built vehicles poses a serious problem, Mr. Byers states.

However, outlook is not unfavorable and a steady volume of production is anticipated for balance of the year.

Capital expenditures in the six months totaled $53,078 ($85,262 last year).

6 mos. ended Mar. 31:	1960 $	1959 $
Oper. profit	1,049,180	776,974
Depreciation	262,734	270,480
Deb. interest	41,000	43,200
Invest. income	5,319	5,945
Income taxes	386,600	228,000
Net earnings	364,165	241,239
Net per share	$1.44	$0.94

ANNOUNCEMENT



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Mr. Norman C. Urquhart, President of The Mining Corporation of Canada, Limited, announces the election of Mr. J. A. H. Paterson to the Board of Directors and his appointment as Vice-President and General Manager of that company. Mr. Paterson is also President of Quemont Mining Corporation, Limited, Normetal Mining Corporation, Limited and Torbrit Silver Mines Limited and Vice-President and General Manager of Geco Mines Limited.

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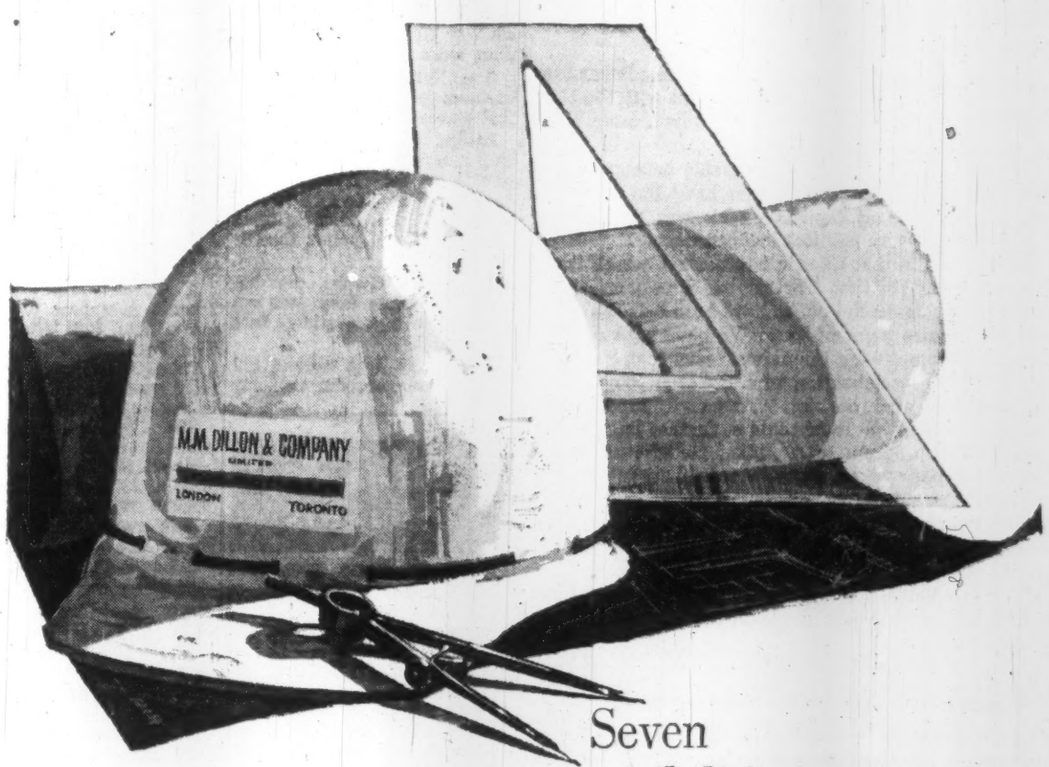

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Odds for Governments in Coming Elections

Here are the trends, as half of our provinces head for the polls this year . . .

By FP Correspondents

Half the provinces of Canada will be going to the polls before the snow flies again.

But odds-makers are not looking for any of the five governments to be turned out of office.

Favorite month for elections — as for weddings — is June when loyal constituents in the back hustings have a fighting chance to make it to the polls over dry roads and before harvesting chores claim their attention.

Elections are slated in: Nova Scotia, Saskatchewan, Quebec, British Columbia and New Brunswick.

In the other five — Alberta, Manitoba, Ontario, Prince Edward Island and Newfoundland — the governments are secure for at least another two years, barring unforeseen political issues.

Nova Scotia

Nova Scotians will indicate at the polls June 7 whether they like the way the Conservatives under Robert L. Stanfield have governed the province since the autumn of 1956.

The government is favored to win, so political observers say. Stanfield says it will "carry on what we started."

Experts see it this way:

Premier Stanfield reminds Nova Scotians of the great Liberal leader Angus L. Macdonald who led Nova Scotia for so many years.

(They even look somewhat alike.)

Stanfield, like Macdonald, has an attractive personality — quiet, sincere and convincing.

In almost four years of office the Conservatives have been energetic.

Stanfield surrounded himself with a popular cabinet, which worked quite hard.

A tendency of the voters may well be to give a government a chance to develop the policies and programs it has initiated.

The Stanfield cabinet doesn't appear self-satisfied and hasn't blundered obviously.

It tried hard to solve the coal situation and in this long-term problem can now fight a rear-guard action for Ottawa support.

At the moment, there doesn't appear to be any overpowering issue. The controversial liquor question has gone to a commission, dropping it as an election battleground.

Provincial-municipal finances could be an important issue, but to the average voter this kind of thing isn't usually very exciting.

The Liberal opposition will probably attack the Conservatives on the question of industrial development.

They'll concentrate on the "high cost" of **Industrial Estates Ltd.**, an industry-developing crown corporation established by Stanfield.

The sagging economies in the coal areas of Cape Breton and mainland points will also draw strongest opposition criticism.

Nova Scotia's legislature standing at dissolution: 24 Tories, 18 Liberals and 1 CCF.

Saskatchewan

Saskatchewan will go to the polls June 8, a Wednesday, as required under the province's election legislation.

Opinion is widespread that the government will be returned.

The argument is that for the first time in history there will be three opposition parties with full slates of candidates in the election.

Since the CCF got more than twice the seats in the House last election with 45% of the popular vote, its chances should be even better this time with a four-way split it is argued.

The Progressive Conservatives are given least chance by those who have canvassed opinion in the country.

The Liberals should run second best, it is generally conceded, and Social Credit third.

There will be 55 seats in the next legislature as against 53 in the present one.

The Social Credit Party is considered the dark horse.

If it campaigns as vigorously as in the last election, it might pick up a couple or more seats, but at whose expense it is difficult to say.

There were more than a dozen close contests last election, which makes predictions about party standing not much better than guesses.

Quebec

Quebec will go to the polls June 22, with opposition parties trying to end 16 years of National Union party government.

Betting right now favors another National Union victory, although few observers expect it to equal the scope of the last one, when National Union picked up 71 seats to 17 for the Liberals and three for independents.

So far in the pre-campaign skirmishing, the Liberals have stuck largely to their slogan: "It's time for a change".

But the Quebec poltical front has changed considerably in the last year and most observers think this will backfire against the opposition.

Liberal Leader Jean Lesage had been making some progress during 1958 and early 1959 by painting a picture of Premier Maurice Duplessis as an aging despot who would soon have to retire, leaving an emtpy shell of a party behind him.

Duplessis' death last year and the brief — but enormously popular — spell in office of Paul Sauvé, gave the National Union Party a new lease on life.

Sauvé acted quickly to make friends in the ranks of labor and among those Quebeckers who were worried by Duplessis' bitter unremitting battle for provincial rights.

Among other things, this had cost provincial universities large federal grants.

When death struck National Union's second premier, the party was able to come up with another strong man in Antonio Barrette.

His impact was less dramatic than that of Sauvé, but he continued Sauvé's reform program.

So far the Liberals have made a political stand only on the issue of provincial rights, attacking the National Union over its university grants settlement.

This seems likely to hurt the Liberals in urban voting areas, and may have little effect in the rural constituencies.

Unless the opposition can come up with some startling new ammunition, the Quebec political barometer points to continued National Union government after June's voting.

British Columbia

Current betting in British Columbia is for a September election and for return of Premier W. A. C. Bennett's Social Credit government.

Earlier a spring election had been considered possible.

But Premier Bennett was hospitalized in January for an operation, and on May 22 he leaves for a six-month trip which will take in the financial centres of London and New York, Toronto and Montreal.

This almost certainly rules out a spring election and brings September into prominence, although the Socreds could wait until the spring of 1961 if they wished.

However, B. C. faces a number of momentous issues — notably Peace River and Columbia River power development — and these spell an early election.

No matter which starts first, Peace or Columbia, sections of voters will be disappointed, so the logical time to call an election is before this rapidly-approaching decision is made.

Furthermore, it's probable that the private industrialists backing the Peace will want assurance of another four years of friendly government before embarking on a $630 million expenditure.

Social Credit's expansive public works program, its traditional strength in suburban and up-country ridings and the very weakness of the opposing parties would seem to indicate its return to power.

Neither the Conservatives nor Liberals have properly recovered since their coalition was whipped by the Socreds.

The Conservatives in Ottawa won't help the party in B. C.

The Liberals have a new and untried leader.

The CCF is the official opposition, but there appears no reason to expect its fortunes to improve, unless business and economics of the West Coast worsen.

Present standing in the House: Social Credit, 33 seats; CCF, 10; Liberal, 2; Labor, 1; vacant, 1; total of 52 seats.

Some speculation puts the Liberals in a "dark horse" position, in the sense that they might gain a handful of seats.

New Brunswick

The much-debated question: When will the general election be?

Premier Hugh John Flemming says he will announce the date "after a while". The vote will be this year.

Certain factions in the government party—the Conservatives—are known to favor a June ballot.

Others want a late summer or early fall date. Neither cabinet nor party caucus, apparently, has reached agreement.

So far, the Liberal opposition has nominated candidates in Moncton city and York and Carleton counties. The Tories have nominated in Sunbury County and soon will hold a nominating convention for York County.

After eight years in power, Flemming and his followers are comforting themselves with the thought that they can campaign largely on the basis of their record in office, asking for a mandate to continue with a fairly promising program of industrial and mining development.

The Tories obviously don't feel compelled to furnish startling new planks for their platform.

The Liberals have opposed the government's premium method of financing the new hospital insurance program. They want financing from provincial revenues.

They have indicated some favor for liberalizing liquor laws, but it's not clear yet whether this will become a big issue.

And they undoubtedly will say the government could have been more effective in its development plans.

The Flemming Conservatives were first elected in 1952, then re-elected with a 37-15 margin in 1956.

No Elections In These Five

Here's the political situation in the five provinces that don't plan on elections this year:

Alberta

A provincial general election is not likely to be held in Alberta until 1963.

The last election was in June, 1959, when the Social Credit government was returned to power with an overwhelming majority, winning 61 of the 65 seats in the Legislative Assembly.

With but two exceptions in a period of 25 years since it first took over the reins of power, the SC government has called a general election every four years.

The exceptions were in 1940, following a five-year term, and in 1955, after a three-year term.

Thus, there is a firm belief now that the next general vote will be in the summer of 1963.

In the opposition groups, more activity is expected in 1961.

As a result of the 1959 election, the Liberal strength in the Legislature was reduced to one and the Progressive Conservatives to one. Others on the opposition side are one Coalitionist and one Independent Social Crediter.

Both provincial leaders of the Liberals and Conservatives were defeated in last year's election.

The Conservatives have since named Ernest Watkins, MLA for Calgary, as their acting provincial leader.

J. W. Grant MacEwan, of Calgary, still is the Liberal leader but has indicated that he would like to resign. There is some talk of a provincial leadership convention this fall.

The CCF party has a provincial leader, Floyd Johnson, of Edmonton, but no seat in the legislature.

Manitoba

Having had a provincial election in 1959, Manitoba isn't due for another until 1963 and could wait until 1964.

After 43 years in opposition a Conservative administration headed by Duff Roblin was returned in 1958. It didn't have an over-all majority. Being a minority government Roblin called another election in 1959.

The Conservatives were returned with a comfortable majority in a 57-member house and thus assured stable government for another three or four years.

The present party standing: Conservatives, 35; Liberals, 11; CCF 10; Social Credit, one.

The present government seems firmly established with no present sign it may be dislodged even when the next election comes.

The Liberal group headed by former premier D. L. Campbell is the official opposition.

One issue is simmering which might give trouble to the present government or, for that matter, any government. This is government aid for private and parochial schools.

Ontario

Premier Leslie M. Frost's Progressive Conservatives seem firmly in the saddle in Ontario with at least a three-year term to run before they go to the polls again.

The Conservatives were returned June 11, 1959, with 71 members, opposed by 22 Liberals and five CCF.

Frost, an adroit parliamentarian and a popular small-town lawyer from Lindsay, Ont., has held a firm grip on the party's provincial fortunes since he was chosen leader at a convention in 1949.

The Liberals, the official opposition under John J. Wintermeyer, a relative newcomer, and the CCF, under Donald MacDonald, seem to have made little headway in their attacks on his administration.

Frost seems to have successfully weathered charges against several of his ministers of irregularities and "indiscretion" concerning natural gas in northern Ontario, highways department administration and land purchases involving the Niagara Parks Commission.

During the session just ended the legislature dealt with over 200 bills and a budgetary program involving expenditures of $896 million. A fall session will be called about Nov. 20.

Prince Edward Island

With the new Conservative government in Prince Edward Island entering only its ninth month of office, the provincial political scene is quiet.

The legislature rose just before Easter and isn't due to sit again until next March.

Most controversial piece of legislation is the government bill to introduce a 4% sales tax passed during the last sitting. Target date for its introduction: July.

This is being battled by the local retail association.

The Conservatives, who hold 22 out of 30 seats in the legislature, have added two new departments to the government. They are Municipal Affairs and Tourism.

Last fiscal year the island province had a budget deficit of $5 million. Premier Walter R. Shaw has promised a balanced budget for this fiscal year.

Newfoundland

Barring the appearance of some great new issue, there will be no general election in Newfoundland for at least two years.

Premier Joseph R. Smallwood's Liberal government won overwhelmingly at the polls last August.

At that time, the 59-year-old "Joey" capitalized on two things:

- **Undoubted wide popular support** for his legislation decertifying the International Woodworkers of America and his successful attempt to have an independent union take over certification of striking bush-workers.
- **Public resentment** at what was considered to be the federal government's betrayal of Newfoundland under Article 29 of the terms of Confederation.

Thus when this year's legislative session began Smallwood had an overwhelming number (31) of supporters in the House. Conservative had three, United Newfoundland Party (dissident Conservatives) two.

Despite the province's financial problems—stemming largely from a limited tax base—the government has ambitious plans.

It projects spending of $630 million in the next decade on education, health and roads in a scramble to raise standards closer to the Canadian average and keep up with a fast-increasing population.

This expenditure will be heavily underwritten by federal grants, subsidies and tax rental payments.

Although many Newfoundlanders feel they are misunderstood by "Canadians", there is little sentiment opposing the 10-year-old marriage with Canada.

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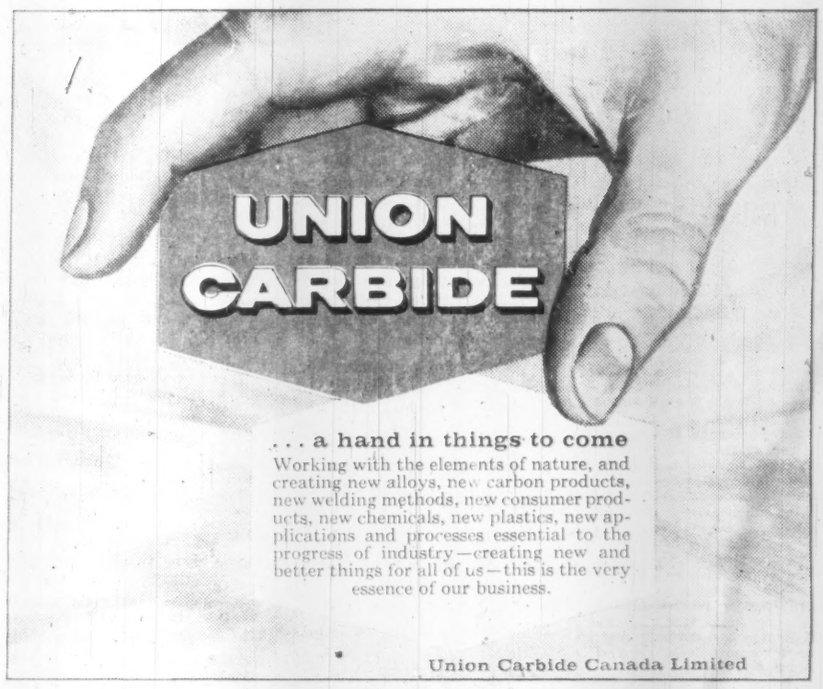

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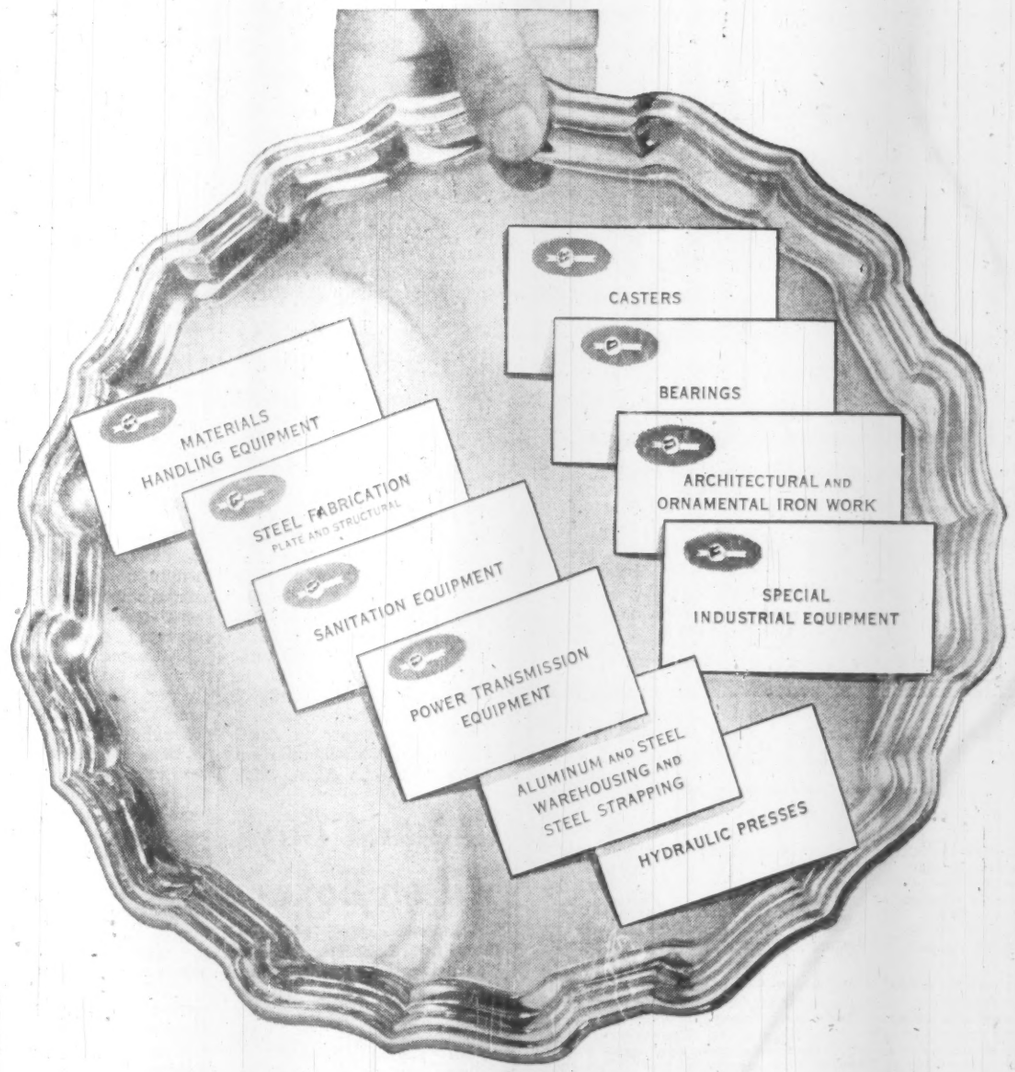

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Crow's Nest Shareholders Okay Option to U. S. Steel

From Our Own Correspondent

LETHBRIDGE — Shareholders of the **Crow's Nest Pass Coal Co.** have unanimously approved the granting of a purchase option to **United States Steel Corp.** (FP, April 2).

President Thomas G. Ewart of Fernie, B.C., told a shareholders' meeting at Vancouver last week that the purchase of the company would benefit both the company and the community in the long run.

Crow's Nest Pass Coal centres its operations at Natal-Michel, in the southeastern corner of British Columbia.

Under the option terms, **Columbia Iron Mining Co.**, a wholly owned subsidiary of U. S. Steel, will spend $500,000 on exploration of Crow's Nest coal land during the next four years.

The company also has the right to purchase a substantial portion of the coal properties for $10 million or all of the company's coal operation's for $17 million.

U. S. Steel may exercise either of its options during the next 10 years, but is committed to the exploration.

Ewart told the shareholders the company has high hopes of supplying coke to the pig iron plant being built at Kimberley, B.C., by **Consolidated Mining & Smelting.**

In submitting his annual report, the president said net profit of $378,000 was realized in 1959, a drop of $104,000 from 1958 (**FP**, April 16).

Japan has ordered more than 100,000 tons of coking coal from Crow's Nest Pass Coal. This order must be on ship before April, 1961.

Stelco Opens Montreal Mill

MONTREAL (Staff) — **Steel Co. of Canada** this week officially opened its $10 million continuous-weld pipe mill near Montreal. The mill has been operating since last fall.

At the opening Premier Antonio Barrette of Quebec said the mill could be the beginning of a huge steel industry near Montreal.

Two basic steel operations presently are planned for the area, one sponsored by **Dominion Steel & Coal Corp.** and **Sogemines Ltd.**, the other by **Quebec South Shore Steel Corp.**

Stelco President V. W. Scully said his company had large investments in Quebec and hoped to expand operations in the province.

Atlas Steels to Spend More To Fight Rising Plant Costs

Atlas Steels, Welland, Ont., capital expenditures will increase to about $2 million this year from 1959's $308,240.

Expenditures will primarily be for equipment to improve both productivity and quality.

"About the only way left to combat constantly rising costs is through making capital expenditures of this kind," President H. G. DeYoung told the annual meeting.

Capital expenditure plans for the next four to five years are now being made. Items being studied include vacuum degassing, powder scarfing, automatic grinding and production of hydrogenized iron ore to replace scrap steel in company's electric furnaces.

The latter method promises some control over the basic cost of raw materials, the president said.

Other manufacturing costs are steadily rising, Mr. DeYoung stated. One that now concerns Atlas is the cost of electric power.

Despite company's location — six miles from Niagara Falls' hydro-electric power sources — its electricity costs more than it would in Quebec and many parts of Europe, he pointed out.

First quarter net profit of $964,000 (88c per share) was little changed from $960,084 (88c) a year ago, although sales rose 19% to $13.6 million.

Application of Atlas stainless steels in architecture is meeting with success. Two new major buildings in Montreal will feature architectural components made of Atlas stainless. An order was recently received for this product from Europe.

The Atlas North American division, now primarily responsible for activities in Canada, has made some slight in-roads into the U. S. market with sales of tool steels and mining drilling steels, shareholders were told.

Pointing out that competition in Canada is increasing, Mr. DeYoung said that there are now two competitive specialty steel mills (both owned in the U. S.) operating here.

In addition, British and European steelmakers have warehouses in various Canadian cities.

Financing Soon For Vancouver Shopping Hub

MONTREAL (Staff) — Long-term financing has been hammered out for a big downtown shopping centre in London, Ont., and is pending for another giant in suburban Vancouver.

Webb & Knapp (Canada) Ltd. says financing for London's Wellington Square centre is in the form of a $6.8 million mortgage loan.

It was negotiated with an all-Canadian group headed by **Great-West Assurance Co.**, of Winnipeg and including **Investors Syndicate of Canada Ltd., Montreal Trust Co., Monarch Life Assurance Co.** and **Imperial Life Assurance Co. of Canada.**

W&K — large Montreal-centred real estate and development firm ((FP, Jan. 30) — says it hopes soon to announce financing for the $10 million Brentwood shopping centre in Burnaby near Vancouver.

This centre has been under construction since last fall.

The company says the $11 million London project is the first drive-in shopping centre in the downtown area of a major Canadian city and it thinks the mortgage loan is probably the largest of its kind awarded for a Canadian shopping centre.

Main tenant at Wellington Square is the **T. Eaton Co.**, occupying 250,000 sq. ft. Other chains and independents have the remaining 175,000 sq. ft.

Completion is expected this summer.

MacMillan, Bloedel and Powell River Limited

Our May "Review and Securities List" presents a summary of MacMillan, Bloedel and Powell River Limited. The advantages of the recent merger of MacMillan & Bloedel Limited and Powell River Company Limited are discussed and results of the combined operations are shown.

The "Securities List" contains a diversified selection of government and municipal bonds and corporation bonds and shares for current investment.

A copy of our May Review and Securities List will be forwarded on request.

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ANNOUNCEMENT

PACIFIC WESTERN AIRLINES APPOINTMENT

Appointment of Mr. Kenneth F. R. Mair to the position of Director of Sales and Advertising for Pacific Western Airlines is announced by Mr. D. D. McLaren, Vice-President and Managing Director.

Born and educated in New Zealand, Mr. Mair has travelled widely and is well known in Canadian business circles. He brings to his appointment a broad background of business experience.

Mr. Mair has been actively engaged in sales and advertising fields for thirty years. For fifteen years he was President and owner of four Vancouver based companies in the packaging and marketing business, which he sold in 1955, and was also a Western director of the Canadian Paper Box Manufacturers Association. He has been actively interested in the aviation industry since 1932.

Note

By VINCENT EGAN

TODAY'S BOND market appears to be riding off in all directions — one bond to a direction.

Canada bonds continue to improve, on the finance minister's assurance that the government's cash requirements are about 75% lower than last fiscal year's. Canada 3¾% Conversion Loan bonds of 1965 were being offered at 94¾ this week, compared with 93 April 14.

Corporation bonds are also firm, evidently sustained by the scarcity of new issues on the calendar. **Bell Telephone** 6¼% bonds of 1978 were offered at 103¼, up from 103 April 14. The $15 million **Alberta Gas Trunk Line** 6½% 20-year debentures with warrants, offered at par last week, quickly went to a four-point premium.

Provincial markets have been active, but some bondmen expect yields on provincials to drift back to a 6% basis before long, because of the greater volume of such issues expected to be offered this year. Offering price on Quebec Hydro 6% bonds of 1979 was 103½ (yielding 5.70%) yearly this week, up a quarter of a point from April 14.

Municipals are under some pressure, because of increasing volume. At mid-week, issues of St. Thomas, Waterloo, Kitchener, Kingston, London, Westmount and Saint John were either just offered or shortly to be offered. Insurance companies, able to earn 7¼% on mortgage commitments, show little interest in municipals yielding less than 6½%.

* * *

Despite the warnings of the last few months that Canada's foreign borrowing is too high, **City of Montreal** intends to exercise its right to borrow where it chooses. It has called for tenders May 25 on a $28 million 20-year debenture issue to be offered in the U. S., with a coupon not exceeding 6%.

A sinking fund will retire the issue in full by maturity.

* * *

The $6 million **Inland Cement Co.** 6¾% 15-year bond issue (**FP**, April 16) was offered at par this week by **W. C. Pitfield & Co.** Bonds are non-callable for 12 years.

* * *

Eastern Trust Co. shareholders of record May 6 have until June 30 to buy one new share at $20 for each five shares held. Recent over-the-counter quotation: $26-$28.

* * *

A $3 million borrowing by Prince Edward Island is rumored . . . Guessing is that the yield on the expected $20 million **Alberta Municipal Financing Corp.** issue (**FP**, April 16) will be 6% or slightly less.

* * *

New Canadian bond financing in the first four months of 1960 totaled $1,245.6 million (including $629 million Government of Canada issues) vs. $389.2 million in January-April, 1959. Of this year's total, $138.9 million was payable in U. S. funds, compared with $80.2 million in the 1959 period.

Corporate issues in April totaled $57,450,000, up from $19.5 million in April, 1959.

Why They're Moving

Facts and comment on what's going on in the market and rumors behind some of the moves.

By P. T. DURRANT

Attitude of investors toward the next year or so can be seen in the handful of industrial stocks for which operating results are known for the first quarter, 1960.

Two observations can be made from these results:

(1) Provided business can hold its first quarter pace for the rest of the year, earnings for many companies should improve over 1959.

(2) Investors are not prepared to pay as much for their stocks as they were a year ago.

In a group of 18 stocks, only five are priced above year-ago levels. Of the 13 that are priced lower, **United Steel Corp.** (—44%) and **Texaco Canada** (—33%) had the biggest declines. The group of 18 as a whole is down 10%.

First quarter earnings of 14 of the 18 companies are up on first quarter, 1959. (**Bell Telephone Co.** net per share is lower, however, due to larger number of shares outstanding.) Lower earnings have been reported by **Fraser Cos., Montreal Locomotive,** and **Southam Co. Atlas Steels'** net was practically unchanged from last year.

On the basis of results for the 12 months ended March 31 this year, the 18 stocks are selling at an average of 13.3 times earnings. Three are priced at more than 20 times earnings, 11 at more than 10 times and four at less than 10 times.

These figures are in marked contrast to price/earnings ratios of mid-1959. At that time, based on results for the 12 months ended June 30, 1959, four of a list of 20 stocks were priced at more than 30 times earnings, 11 at more than 20 times and all except one at more than 14.5 times.

Here are the figures:

	Recent price	Year ago	Earnings per share 1st qtr. 1960	Earnings per share 1st qtr. 1959	Earnings per share Latest 12 mos.	Price/ Latest 12 mos. earnings
	$	$	$	$	$	
Aluminium Ltd.	29½	26⅞	0.30	0.08	1.02	28.9
Atlas Steels	23¼	27¼	0.88	0.88	3.02	7.7
Bell Telephone	44⅝	43	0.58	0.61	2.45	18.2
Consol. Paper	39⅜	40¼	0.50	0.44	2.61	15.1
Cr. Zeller, Can.	18⅞	23½	0.29	0.19	1.15	16.4
Fraser Cos.	26½	30	0.33	0.39	1.80	14.7
Gt. Lakes P.	38¼	37	0.36	0.23	1.61	23.8
Imperial Oil	31¼	41¾	0.50	0.43	1.80	17.4
Indust. Accept.	35¼	38¼	0.88	0.81	3.68	9.6
M & O Paper	27¾	32¼	0.60	0.46	2.44	13.7
Montreal Loco.	16¼	20	0.58	0.61	2.40	6.8
Moore Corp.	41½	37	0.50	0.41*	1.91	21.7
Quebec Power	35⅛	39½	0.56	0.54	2.43	14.5
St. Lawr. Corp.	16½	16⅞	0.26	0.17	1.33	12.4
Shawinigan W. & P.	26⅞	32	0.40	0.36	1.50	17.9
Southam Co.	82	80	1.06	1.20	5.95	13.8
Texaco Canada	47¾	71½	1.06	0.80	3.42	13.9
United Steel	6⅞	12¼	0.06	d-0.20	0.81	8.5

d — deficit. *Adjusted for stock split.

Of the six pulp and paper companies in the list, only Fraser Cos. earned less than last year. This company's business is largely in pulp, high grade paper and paperboard; shipments in the first quarter were lower than a year ago. It has not benefited from the increased demand for newsprint which has helped boost sales and earnings of other paper companies.

All exporting paper firms continue to be affected by the premium on the Canadian dollar which was higher than in the first quarter last year. Earnings for the balance of the year should benefit considerably if the recent decline in the premium is maintained.

Both integrated oil companies in the list had a better first quarter than a year ago. Both are priced below a year ago as is **British American Oil** ($29¼ vs. $37⅞). B-A has not reported first quarter results but President E. D. Loughney told shareholders that operating profits for the period should show an improvement over corresponding 1959. Earnings will also include substantial non-recurring profits arising mainly from sale of company's tank car fleet.

Decline in Southam Co.'s net was due to fact that last year's results included a special non-recurring dividend, equal to 38c per share. If this special income is excluded from calculations, net earnings would show a 29.6% increase over last year.

Six-months' earnings reports have been made by two companies not in the above list. For the half-year ended March 31, **Ontario Steel Products** (recent price $21 vs. $24½ year ago) bumped its net 51% to $1.44 per share from 94c a year ago. **Toronto Elevators** ($9¼ vs. $15) dropped to 55c per share in six months ended Jan. 31, 1960, from 98c a year ago. Last year's market price and earnings figure are adjusted for 3-for-1 stock split in June, 1959.

Merger rumors still were mentioning the name of **Bathurst Power & Paper Co.** at midweek, although the stock had weakened a little. Last week the class A stock, which has a preferential dividend feature, moved briskly from $40 to a high of $44. It was off to $43 at midweek. The class B, which doesn't receive a dividend at the moment, leaped from $27½ to $33¾ and dipped to $31.

Most frequent rumor: Some kind of deal with **Consolidated Paper.** This one is heard periodically. Another name mentioned: **MacMillan, Bloedel & Powell River.** But no one offered the slightest official confirmation of these rumors.

Regarded as a probability: Bathurst is willing to merge, given what it considers the right deal. **FP** understands, however, that there are no negotiations in progress right now.

Cons. Glass Adjourns Meet

Special meeting of bondholders of **Consolidated Glass Industries,** Toronto, has been adjourned until May 25.

Bondholders are being asked to approve modification of the trust deed securing the 5½% series A and 5½% series B general mortgage bonds in order to relate future sinking fund payments to net profits rather than having such payments as fixed amounts.

Sinking fund payments on both series A and B bonds commence June 1, 1961. Both series are due June 1, 1975.

Trust deed provides for annual payment on the series A bonds ($450,000 outstanding at Dec. 31, 1959) of $20,500, plus interest.

Annual payment on the series B ($200,000 issued) depends on the amount outstanding when the sinking fund starts operating.

Company had a net loss of $39,498 in 1959, 44% less than 1958's loss of $70,470.

ST. REGIS PAPER

St. Regis Paper Co., New York, net earnings in first quarter, 1960, were $5.9 million ($5.8 million last year). Larger number of shares outstanding reduced net per share to 60c (63c). Figures do not include profit on sale of assets of **St. Regis Paper Co. (Canada)** (FP, Jan. 2), amounting to $27.8 million ($2.86 per share).

REAPPOINTMENT

Noel D. Lambert of Vancouver has been reappointed for three years to the board of directors of **Central Mortgage & Housing Corp.** Lambert was a director of the corporation from its inception in 1946 until 1951, and was reappointed to the board in 1956.

ACQUIRES BOAT FIRM

Bigelow-Sanford Carpet Co. has acquired all the stock of outboard boat maker **Crestliner Inc.**, Little Falls, Minn. Crestliner boats are also manufactured in Canada under franchise at Waterloo, Ont., by **Canbar Marine Co.**

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Bathurst Buys Wilson Boxes

Complete control of **Wilson Boxes Ltd.**, Lancaster, N.B., has been acquired by **Bathurst Power & Paper Co.**, Bathurst, N.B.

Financial details of the transaction were not disclosed.

Wilson has a small plant producing corrugated shipping containers.

Bathurst also bought a minority interest in another east coast firm — **Maritime Paper Products Ltd.**, a Halifax carton and corrugated products maker — late in 1958.

Wilson Boxes was in the news recently when it protested granting of a special tax concession to **Hinde & Dauch Paper Co.** (**FP**, April 23).

Hinde & Dauch proposes to build a plant at Moncton, N.B., to make beer cartons.

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ANNOUNCEMENT

CONSOLIDATED PAPER CORPORATION LIMITED NEW DIRECTORS

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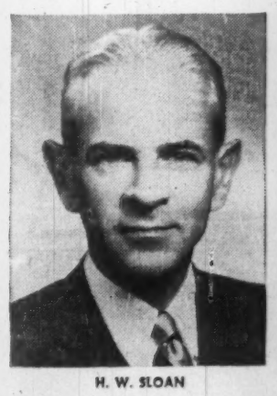
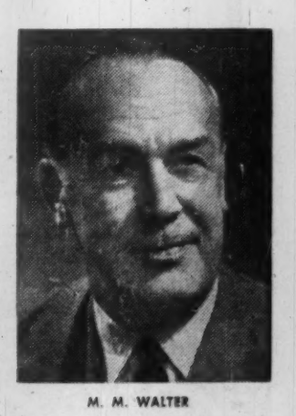


H. W. SLOAN



M. M. WALTER

At its annual general meeting of shareholders, held April 28th., F. W. Bradshaw, H. W. Sloan and M. M. Walter were elected directors of Consolidated Paper Corporation Limited. Mr. Bradshaw is executive vice-president of the Corporation while Mr. Sloan is vice-president of St. Regis Paper Company and Mr. Walter is chairman and president of The Royal Bank of Canada.

Don't just hold on blindly!

The fact that a security is now worth less than when you bought it is not *necessarily* a valid reason for continuing to hold it. Perhaps you should—but perhaps not! The best plan to follow is to seek expert counsel. And that's where we come in. For this firm has almost 50 years of experience in advising investors.

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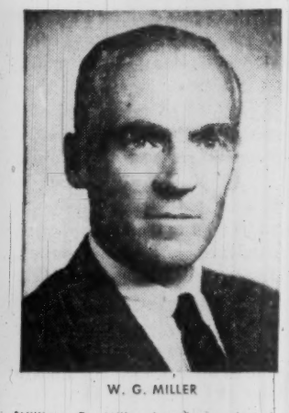
95-A

ANNOUNCEMENT

ALCO PRODUCTS VICE-PRESIDENT



W. G. MILLER

William G. Miller has been elected a vice-president of Alco Products, Inc., New York, it has been announced. Mr. Miller was formerly president of Montreal Locomotive Works, Limited, Alco's Canadian affiliate. He remains a director of MLW.

Beaver Buys Utility Stock

The Beaver Club has purchased 10 common shares of **International Utilities Corp.**, the fund manager reports.

The purchase was made April 27, at $33 per share. Comment on the transaction will be contained in the monthly report of the fund manager in next week's **FP**. (See p. 54, a description of International Utilities' operations.)

The Beaver Club is an actual investment club whose activities are reported regularly in **FP**.

Sees Fierce Competition For Markets

Industrial growth in the world points to a decade of fierce competition in international markets.

It will mean "a time of severe trial for some Canadian manufacturers," G. L. Wilcox, president of **Canadian Westinghouse Co.**, told the 45th annual meeting of the Association of Canadian Advertisers.

For Canada, the threat arises from:

- **Greater** productivity and production abroad.
- **Such** economic devices as the Common Market.
- **Lower** wage costs in many countries which compete with us.
- **Our own low tariff protection**, the premium on our dollar.

In the domestic market, Canadian industry faces a "customer rebellion," expressed in the purchase of foreign-made goods, Mr. Wilcox said.

Consumers have not shared in the gains of increased productivity of the recent past—gains which have gone chiefly to labor, he said.

Now, the customer can and will turn to quality imported goods at lower prices—presenting Canadian industry with a challenge to give the customer some of the benefits of our improvement.

PROTECT WILDLIFE

From Our Own Correspondent

WINNIPEG—Four experts of the U. S. Fish and Wildlife Service have been engaged by Manitoba to examine possible effects of the Grand Rapids power development on game and fish resources of northern Manitoba. The party will include a hydraulic engineer and three biologists.

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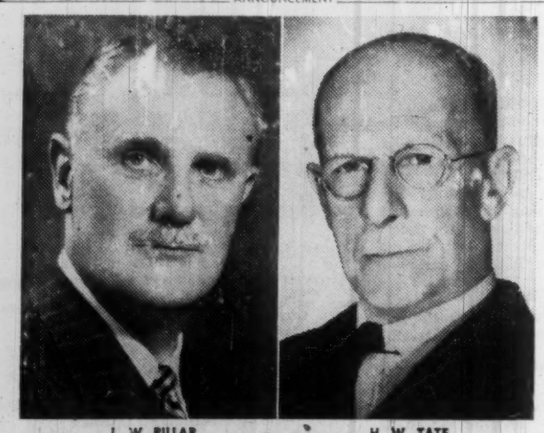
ANNOUNCEMENT



L. W. PILLAR H. W. TATE

Dr. K. F. Tupper, P.Eng., M.E.I.C., President, Ewbank & Partners (Canada) Limited, Consulting, Civil, Mechanical and Electrical Engineers, Toronto, is pleased to announce that Mr. H. W. Tate, P.Eng., M.E.I.C., and Mr. L. W. Pillar, P.Eng., M.E.I.C., have joined the Company as Principals. This will enable Ewbank & Partners to broaden the scope of their civil engineering services to clients.

Mr. Tate has over 45 years experience in civil and transportation engineering and Mr. Pillar, 30 years international and Canadian experience in civil and municipal engineering.

INVESTMENTS

Has Biggest Shareholder Unfair Power in Buyout?

By PAUL S. DEACON

ONE OF THE most controversial sections of the Canadian Companies Act is section 128.

Through it, under certain conditions, a shareholder may be required by law to hand over his stock to another shareholder, whether he wants to or not.

Some lawyers and financial men claim the section is needed to prevent companies from being gouged by obstructive minority shareholders.

Others contend that it grants a buyer unwarranted power over an unwilling seller.

Section 128 provides that where holders of nine-tenths of the shares "affected by" an offer have accepted the offer, the buying company may give notice to dissenting shareholders that it desires to acquire their shares.

Dissenting shareholders have one month to file objections with the court.

If the court does not order otherwise, the shares are transferred out of the dissenting shareholders' names and the offering price deposited for them in trust in a chartered bank.

The section is used fairly frequently in takeovers.

Last week for instance, **National Laundry & Cleaners Equipment (1959) Ltd.** gave notice to remaining holders of **Canadian Fairbanks-Morse Co.** 6% preferred shares, that it intends to acquire their shares under section 128.

National is owned by President Robert H. Morse III, president of Canadian Fairbanks-Morse, and holds a block of Fairbanks-Morse common. It says it already has 9,676 of the 10,133 Fairbanks-Morse preferred shares outstanding. It paid $124⅜ per share for stock bought under an offer made through **Royal Trust Co.** in December.

Now, for reasons that are undoubtedly sound enough from a business viewpoint, National wants to clean up this tag end of 457 shares still held by other investors.

Esso Standard (Inter-American) Inc., a subsidiary of **Standard Oil of New Jersey**, says it intends to acquire shares of **International Petroleum** (another Standard subsidiary) this way. It expects to give the necessary notice the latter part of this month. It holds more than 99% of International Pete stock now.

John Labatt Ltd. invoked the section, unsuccessfully, in its attempt to buy out some minority shareholders of **Lucky Lager Breweries Ltd.** (**FP**, July 11, 1959). **Admiral Corp.** of Chicago tried to use it also without success, to acquire the shares of some dissenting **Canadian Admiral** holders (**FP**, Dec. 20, 1952).

Despite its fairly frequent use, which might imply general acceptance of the principles behind it, section 128 continues to attract criticism.

The law does not make minority takeovers automatic either. Dissenting shareholders have been able in several instances to block acquisition of their stock, through the appeal procedure laid down in the section.

It is not the frequency of use, or the decisions, that bother the law's critics most. It is the law itself.

Why should one shareholder be able to force another to give up his shares?

Much of the development of English common law is based on protection of an individual's right to his own property. Normally, he can be forced to give up this right only under expropriation proceedings for some public purpose.

Yet section 128 gives this power of expropriation to a company.

A similar law exists in the United Kingdom.

In the U. S., however, the courts have no authority to order one shareholder to sell his stock in this way.

In the case of the Canadian Fairbanks-Morse preferred, most would agree that the price offered is fair enough. The stock had been selling at about $103 or $104 per share at the time the offer was made, so shareholders are getting $20 more than its previous market value.

But if some shareholders who paid more than $124⅜ for the stock want to keep their stock (as some evidently do), why should they be required to take the offered price?

The preferred is non-callable. When the stock was first issued, the company in effect promised that it would never make a holder turn in his shares.

That was back in 1912. Ever since that time, buyers have had the assurance that they could keep the stock as long as they wanted it.

But the stock was undoubtedly somewhat of a nuisance to the company. For instance, no bonded indebtedness can be created without the consent of 75% of the preferred shares, and at times this may have hampered financing plans.

The only way the stock could be redeemed was through purchases on the open market (nearly a third was retired this way).

So now a company owned by a major common shareholder has bought most of the preferred, and is attempting to buy the shares of those who haven't accepted the offer.

Before the offer for the preferred was made, Fairbanks-Morse split its common stock into voting and non-voting shares, and a large block of the non-voting shares was sold by the majority holders for $3,487,500.

If the preferred purchase involves all the 10,133 shares (some may have been bought earlier), National's payment for the block works out to about $1,276,000.

This offer gets around the problem of the no-call feature neatly enough, and should benefit the company and many of its holders — preferred and common.

But once again, is this sufficient reason for depriving someone of his shares if he wants to keep them?

Some International Petroleum shareholders have been asking similar questions about Esso Standard's offer.

Standard of New Jersey undoubtedly will have a tidier organizational set-up as a result of the elimination of outside holders in International Pete.

In the U. S., the law would not allow Esso or anyone else to take over stock of dissenting shareholders in this way.

In Canada, it does, and Esso is.

Some Fairbanks-Morse holders think they can block National's move. Maybe they can.

But the real question remains: Is section 128 fair in the first place?

As long as the law is there, it is perfectly understandable that people should make use of it.

But, unless there are some stronger reasons for its retention than are apparent now, the section should be abolished, and promptly.

MacMillan Still Expanding Buys into Ontario Firm

From Our Own Correspondent

VANCOUVER — The newly-merged forest industry giant on the West Coast, **MacMillan, Bloedel & Powell River Ltd.**, is still on the expansion road.

Having just acquired **Sidney Roofing & Paper Co.** (**FP**, April 30), its wholly owned subsidiary, **Martin Paper Products Ltd.**, announced acquisition this week of a substantial interest (but not control) of **Federal Packaging & Partition Co.**, Ajax, Ont.

MB & PR "will take an active interest in the company and will handle Federal's products in western Canada," Federal President George H. Bell says.

Federal has a 14,000 sq. ft. plant and employs about 65. It has been in business about three years.

Also, almost overlooked in news of these latest takeovers was the clear indication that the British Columbia forest giant is planning other expansions — its next undertaking probably to involve a move into the British Columbia interior.

Virtually all its operations now are on tidewater, on the coast.

A senior MB & PR executive confirmed at the annual meeting recently in Vancouver that the company is "looking at" various "proposals" whereby it would expand into the interior.

Its purchase of **Eddy Paper Co.'s** 92% interest in Sidney apparently was motivated by three factors:

- **The Sidney company is a big pulp customer** of MB & PR, and thus the latter positively secures an important market outlet for one of its products.
- **MB & PR becomes more fully integrated and diversified**, and more firmly established as a manufacturer of end product, as well as tree farmer and logger.
- **The Eddy company probably was most receptive** to the offer, as well, since the Sidney company has just reported "severely reduced" earnings on the heels of an expensive plant relocation — from Victoria, on Vancouver Island, to Greater Vancouver, on the mainland.

Sidney, which manufactures asphalt roofing, insulated and oil sidings, building papers, asphalt coating and cements, has assets of some $19.5 million.

A slowdown in home construction, a British Columbia forest strike and strong competition last year slashed Sidney's net income to $266,104, from $471,854 in 1958. Total unit sales were about the same in both years.

The move from Victoria to Burnaby cost the company $1,382,000 last year alone.

There were also previous expenditures and another $670,000 is budgeted for it. The relocation included moving of staff and was one of the biggest relocation jobs ever undertaken in the West.

Sidney has plants, warehouses and sales offices in Victoria, Vancouver and Toronto, as well as its main Burnaby plant.

It has a roofing siding plant in Lloydminster, Alta., and sales offices and warehouses in Edmonton, Winnipeg and Montreal.

One of its other subsidiaries is **B. C. Lithographing & Printing Ltd.** Thus big MB & PR is now in the printing business.

Another Sidney subsidiary, **Bishop Products Ltd.**, manages **Siscoe Vermiculite Mines Ltd.**

St. Law. Corp. Net Up 48%

MONTREAL (Staff) — Improved business helped lift consolidated first-quarter net profit of **St. Lawrence Corp.** to $1,349,329 (26c a share) or 47.6% higher than $914,073 (17c) in corresponding 1959.

Also contributing to the improvement: inclusion this year of operations of **Hinde & Dauch Ltd.**, in which St. Lawrence acquired controlling interest in mid-1959.

Shipments by the corporation's mills, excluding Hinde & Dauch, totaled 127,486 tons in this year's first quarter. This was 13,084 tons more than in corresponding 1959.

Loss because of the discount on the U. S. dollar was $452,246 this year and $271,760 a year earlier.

Here are comparative details:

3 mos. ended Mar. 31:	1960	1959
	$	$
Net sales	24,501,038	15,686,886
Less: Exch. disc.	452,246	271,760
Cost of sales	19,089,180	12,147,807
Plus: Other income	304,736	171,084
Less: Contrib. pension	226,899	129,381
Depreciation	1,556,078	1,071,690
Depletion	29,898	23,320
Bond & other int.	610,875	443,592
Inc. taxes	1,363,672	856,347
Prov. for min. int.	127,597	
Net profit	1,349,329	914,073
Net per share	26c	17c

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He turns Notes into News

THE classic picture of a music critic is that of a man relaxed in a comfortable auditorium seat, raptly listening to the swelling sounds of a great orchestra. The Montreal Star's Music Critic, Eric McLean, says that's all very well, but . . .

It happened a while ago during a recital by a well-known pianist who had been a contemporary of McLean's at McGill University's Faculty of Music. Halfway through the concert the pedal unit of the piano dropped off, and the pianist was obliged to stop. He apologized to the audience and said he couldn't go on. Then he spotted McLean in the audience. "Unless," he added brightly, "Mr. McLean would help me repair the pedals."

Eric McLean says he couldn't back out, and in full view of the audience the two of them crawled under the piano and went to work. While there, the pianist used the opportunity to threaten to poke McLean in the nose if he reviewed the concert.

"I did anyway," says McLean, "and we're still on speaking terms."

Eric McLean himself had hoped to embark upon a music career and began studying the piano at the age of six or seven. His hopes were dashed when one of his counterpoint teachers in a moment of exasperation cried out that he should give up music because he composed like a critic. "I'm not sure what he meant and I didn't remember his advice until I had actually followed it," McLean says.

McLean studied at McGill University and with Claude Champagne, the well-known Canadian composer. His studies were interrupted by the war, which found him an RAF Transport Command wireless operator and placed him at Gander, in Newfoundland, where Gibbon's Decline and Fall of the Roman Empire and the Fielding novels provided him with consolation against the rigorous scenery. He began his career as critic on the old Standard in 1945 and came to The Montreal Star in 1949.

McLean's natural curiosity, spurred by his wartime frustrations at Gander, give him an abiding urge to travel. He makes the rounds of the North American and European music festivals, and has also managed to sail the Aegean in a fishing schooner and to drift down the Ohio and Mississippi Rivers in a barge. The latter voyage, he says, has given him an uncritical ear for the mouth organ and banjo. He is a bachelor.

Good reporting makes a good newspaper

The Montreal Star

A Slap on the Wrist

The Canadian Labor Congress did a fair enough day's work when it threatened to expel the International Brotherhood of Teamsters in 30 days' time. But many workers will share with the general public a sense of disappointment over this extremely mild procedure.

The IBT is accused of "raiding", which means that it seeks to enrol workers who are in no sense "teamsters" or even indirectly connected with the transport business.

Certainly in the U. S. James R. Hoffa's union has been a shameless raider (recently Hoffa undertook to organize a community of chicken farmers) and no doubt the Canadian IBT has been guilty of the same jurisdictional offense.

But making this accusation is like charging a bank robber with driving through a red light in his getaway.

The real objection to the Canadian IBT is that it's completely under the thumb of an American affiliate whose leadership record of relationships with crooks and thugs is disgusting to all decent people. Its leader, Hoffa, has so much power over his Canadian underlings, 40,000 of them, that he can keep their unions under "trusteeship", meaning his personal rule, for years on end.

Instead of giving IBT a slap on the wrist for bad manners, which is all that "raiding" amounts to, the CLC should have thrown it out lock, stock and barrel for its smelly affiliations. And that would have been just a starter in cleaning up an intolerable situation.

Shibboleth Smashing

This has been a week for shibboleth smashing and icon breaking.

Note, for example, what Stuart Armour, economic adviser for The Steel Co. of Canada had to say to the members of the Automotive Parts Manufacturers' Association of Canada:

"Among the oldest of our sacred cows is Commonwealth preference. Let it be here recorded that Imperial preference, as it was originally called, probably served the interests of Canada very well in the days up to World War II.

"But as it did to so many other things, World War II altered the worth of such preferences to Canada. Is it not time that Commonwealth preference be sent, like other worn-out bovines, to the slaughterhouse?"

Canada's Commonwealth connection and involvement with Commonwealth preference have long been an excuse—and perhaps a frail one—for staying out of the Organization of American States to which the U. S. and most South American countries belong.

Is this stand still in our best interests? Is it in the best interests of the South American countries who, after all, are fellow inmates in our hemispheric cage?

The Canadian Government is now at least recognizing the fact that the OAS exists and would like us to join.

As Mr. Armour suggests, fresh thinking starts with a re-valuation of old, accepted views. And certainly Commonwealth preference and its implications is one of them.

What Gas Will Do for Canada

If anyone had any doubts at all about what the export of natural gas will mean to Canada, hear what President E. D. Loughney of The British American Oil Co. has to say:

"Exports of natural gas from Canada to the U. S. will soon rise from the present level of $18 million a year to $93 million annually. By 1963, the additional quantities of gas approved for export over the next quarter century will be contributing approximately $75 million a year toward a more favorable balance of trade for Canada.

"Approximately $1 billion will be invested over the next six years for transmission and processing facilities — including about 20 new plants.

"New exports will provide nearly $500 million to gas producers in the period 1961-68 and total new revenue to the industry over the next quarter century will be at least $1,850 million.

"Assuming there would be incentive for the drilling of 360 to 400 wildcat wells a year, reserves will increase by about 2,500 billion cu. ft. annually for the next 10 years."

All of which adds up to this: If, for a spell, we remain hewers of wood, drawers of water and exporters of resources, we are being extremely well paid for it.

World Law Grows Slowly

It's a pity that the U. S.-Canadian proposal for a new law of the sea failed, by one vote, to win approval at the recent United Nations conference.

But it would have been an extraordinary event if a historic rule about territorial waters had been changed, all round the world, by a mere counting of noses at a meeting. This is not how international law has developed in the past. It has grown much more gradually.

Hugo Grotius was the first to suggest (AD 1609) that the high seas should be free to all but that each country with a seaboard should exercise sovereignty over a belt of coastal water. Not until the 1790s did the U. S. and Britain decide to call it three miles.

Then one by one, through the 19th century, other nations followed that example; but to this day not all have done so. The three-mile limit, according to the Britannica, has remained a custom, widespread but not universal. Surely it was optimistic to expect, all of a sudden, world-wide adherence to a new convention.

The point of this argument, of course, is that there's nothing to stop the U. S. and Canada from making their own bargain. Their proposal was a limit of six miles for territorial domain, 12 miles for exclusive fishing rights. If they're agreed on this, let them make a bilateral treaty accordingly and invite others to adhere to it.

If experience is any guide, this will be a more practical way of getting new law of the sea than trying for global decisions by majority vote. The world as a whole isn't ready for the democratic process yet.

New Cars and Old Garages

There will be more compact cars built next year and standard models will be slimmer and shorter.

That's the good news from Detroit—and it's been a long time coming.

The popularity of small European cars, and more recently of North American-made compact cars, wasn't all a matter of buying price and driving economy.

The horrible truth is this: No standard car built since 1955-56 will fit into a standard garage. And not everyone can afford to trade in an old garage every time the family trades in an old car.

For some time now, most car owners, especially if they live in older houses in older sections of the city, have reached the limit in creating extra space.

Many have already added as much as they can to the length of their garages by pushing out the front or back. Most have had to remove lawn mowers, garden hoses and a host of essential items most easily stored in a garage. Not a few have lost paint and dented fenders getting in and out of narrow driveways.

Is it any wonder that the sales of small imported cars, and now compact cars, have been booming?

For Back-seat Drivers Only

It's hard, indeed, to tell whether the back-seat driver is gaining ground or if, in fact, her days have been numbered.

Look, for example, at two cars, one built in 1905 and the other in 1960, both on exhibit at the Fourth International Automobile Show in New York.

The 1905 model is a tall, brassbound, aristocratic Pierce-Arrow which has a panel of 10 pushbuttons within all-too-handy reach of the back-seat passenger. When pressed, these light up imperious signals on the dashboard which say "Stop", "Start", "Fast", "Slow", "Home", "Back".

What more of life could any back-seat driver ask?

Well, an Italian auto maker has now built a car that is beyond the back-seat driver's wildest dreams. Or is it?

This splendid vehicle has two sets of floor pedals and controls which allow the steering wheel to be moved to make the car a right-hand drive or a left-hand drive, as the rules of the road require.

Think of the extreme pleasure, when hurtling along fast enough to provoke a constant stream of instruction, of yanking out the steering column and handing it over with "All right, if you want to drive, drive!"

There are times, as the Christian Science Monitor comments, when such an arrangement might indeed be worth every penny of the car's $15,000 cost.

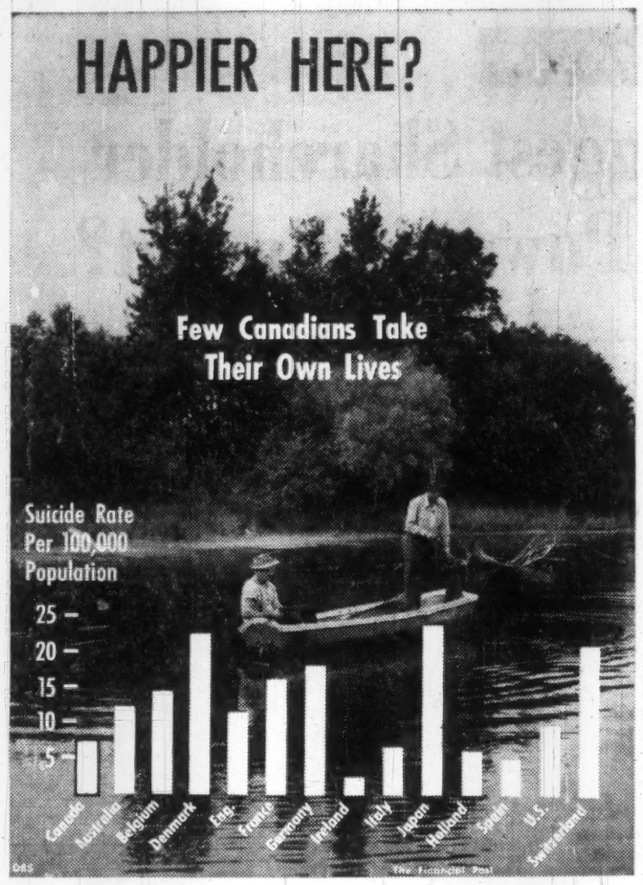
The Sights of Spring

If anyone has ever been convicted for strewing papers, junk and garbage along a Canadian highway, the public certainly hasn't heard much about it.

But every spring, when the snow melts and before the grass grows long, the shoulders and ditches along Canada's highways are seen to be littered with an unbelievable collection of refuse. The outskirts of many towns and cities look like part of a municipal dump.

There are many laws and many warning signs threatening fines up to $50, if anyone dares toss even a candy bar wrapper out of a car window. But the winter's do-it-yourself litterbugs have managed, apparently unmolested, to rid themselves of everything from used bottles, cans, cartons, to old clothing, letters and newspapers.

It's time that some of them were hauled into court, fined and had their convictions widely publicized.



Post Scripts

MR. GODWIN

Heads Trust Companies

Ernest Thomas Godwin, new head of the Trust Companies Association of Canada and general manager of Crown Trust Co., has a solid background in business and the law.

Born in Toronto in 1905, he received his early education at Upper Canada College, later the University of Toronto and law at Osgoode Hall, Toronto.

Called to the Ontario Bar in 1930, for a year Godwin practised with a Toronto legal firm, then worked in the Public Trustee's Office for four years. But business was his main interest and he specialized in trust law.

That led naturally to a trust company appointment and in 1935 he joined the Toronto General Trust Corp. moving to Crown Trust as assistant general manager in 1948. Three years later he was made general manager.

Ernest Godwin is a past vice-president of the executive council of the Canadian Chamber of Commerce. He recently returned from a trip to Australia and New Zealand where he represented the Toronto Board of Trade at meetings of the Federation of Commonwealth and British Empire Chambers of Commerce. He is vice-president of The Citizens Research Institute of Canada.

Godwin is an ardent duck hunter. When possible he makes a trip to Western Canada in the hunting season. But his favorite haunt is the marshy Wye River area near Midland, Ont. In summer, golf takes up much of his spare time.

Mrs. Godwin is the former Helen Playfair and the couple have three sons.

Royal's New Boss

That well-dressed, good-natured gentleman who used to walk his dog of an evening along Montreal's fashionable Sherbrooke St. could have been Hollywood's version of the dynamic head of a huge corporation. But the casting wasn't quite right—he was a vice-president.

Now, however, Madison Melvin Walter, 63-year-old native of Orono, Ont., in the trout fishing country 50 miles east of Toronto, is justifying the preconceived ideas of the moviemakers. He has succeeded James Muir as chairman and president of the Royal Bank of Canada, the largest bank in this country — a nation of big banks — and the sixth largest in the world.

The brisk Walter steps in as chief executive after five years as a vice-president and a career with the Royal extending from 1912, with a three-year interruption during the First World War for army service overseas.

Walter will head a 91-year-old institution with assets of $4 billion and a huge network of almost 1,000 branches. The Royal has close to 900 Canadian branches, being represented in every province, the Yukon and Northwest Territories. Another 65 branches are in the West Indies, with 27 in South America, as well as branches in Great Britain, France and the U. S.

From his excellent economic vantage point, Walter suspects the soaring sixties may turn out to be the stable sixties. "We're in a period of consolidation — which is good for us. Management has to be better, more perceptive; there is much overcapacity, competition is keen and probably will stay that way." This may prevent conditions of all-out boom but it could also lessen the extent of economic swings and bring greater stability.

The new Royal president still fits well into the banking world — which he regards as a young man's business. It wasn't long ago that he finally gave us skiing, usually regarded as a youngster's sport. He continues to enjoy golf, although the increased travelling which goes with the new job may reduce the time available for this recreation. And he likes to walk some or all of the two miles to work every morning.

His banking career, which began in Oshawa, Ont., and later moved through a number of Ontario centres, took him to Toronto in 1924 as a member of the supervisor's department. Four years later: To Montreal in the Credits Department. In 1928 he was assistant manager of the Montreal main branch and, in 1938, manager. Walter became assistant general manager of the Royal Bank in 1944 and vice-president and a member of the board in 1955.

Informal in manner and easy to talk to, Walter is popular with his employees and his associates on a number of boards of directors. Outside the business world, he has been active in social and educational organizations, including the Red Cross, Montreal Welfare Federation and the McGill University Associates.

He's married to the former Margaret McCullough of Kincardine, Ont. They have a married daughter.

MR. NORTHWAY

Third in Line

A third generation head of an old established family business is the new president of the Canadian Retail Federation. He is John Hayward Northway, president of John Northway and Son of Toronto.

The company deals chiefly in women's and children's wear, operates a main store in downtown Toronto, with two suburban branches in that area and other branches in Hamilton and Stratford.

The new CRF president is the third successive John Northway to head the firm which was founded 85 years ago. He joined the business as a clerk in 1925. He managed the store in Hamilton from 1933 to 1938, was appointed general manager of the company late in 1938, vice-president in 1939, and president in 1946.

With a keen interest in all types and phases of retailing Northway became a director of the Canadian Retail Federation in 1957 and chairman of the executive committee two years ago.

John Northway was born in Toronto in 1905 and was educated at Upper Canada College. He married the former Vivian Lewis of Belleville and there are two daughters. His main recreation is golf and he is a member of the Lambton and Granite Clubs.

Napier Moore Says . . .

AS A YOUNG MAN, Neville Chamberlain, later to become Prime Minister of Britain, spent some time on the Bahamian island of Andros supervising family-owned sisal plantations.

The project was a failure and, according to superstitious natives, the reason was that the Chamberlains had run foul of the Chickcharnies by hacking a road through their forest preserve.

Andros lore has it that the Chickcharney is a birdlike, tree-living creature with proclivities not unlike those of pixies, or the "little people" of Ireland.

Left alone, they are gentle. Interfered with by humans, they are quick to wreak vengeance.

Be that as it may, I know hard-headed white Bahamians from Nassau who wouldn't dream of offending older natives of Andros by ignoring their belief in the Chickcharney.

* * *

Research Needed

I HAVE no doubt that the Chickcharnies are in executive session as a result of the announcement of a huge project that will change the face of the southern part of the largest, and largely undeveloped part of the largest island in the Bahamian chain.

The project, described as the world's largest privately financed land development program, is that of the Andros Utilities Corp., which embraces U. S., Canadian and Bahamian interests. L. Jackson Sheffield is president.

Among those financially interested is Axel Wenner-Gren, who operates a super-dooper resort in northern Andros, and who has proposed a much-discussed development in British Columbia.

The announcement said that ANDRUC has made an exclusive agreement with the British Crown for the development of 800,000 acres; that its investment will reach more than $30 million by 1965; that a start will be made this year with the construction of an airport, harbor facilities, a hotel and a model community of homes.

The idea back of the housing plan is to attract middle-income bracket people who, on retirement, would like to live in a warm climate. The company figures it can cater to this class because it can develop its vast land holdings at a fraction of the costs prevailing in expensive Nassau and along the Florida coast.

In other sections, the promoters aim to attract appropriate industries.

Andros is 130 mi. from the Florida mainland and 40 mi. from Nassau; by jet, 2½ hours from New York. Its population is 7,000. Based on research studies, ANDRUC's estimate is that by 1965 it might well be 69,000.

Whether such research studies embraced the Chickcharnies, I don't know.

* * *

The Wayward Hen

THE BRITISH Egg Marketing Board, in a newspaper advertisement, is telling the public what the board does for egg producers, wholesale and retail trades, and consumers.

The report is prefaced by an informative paragraph which says:

"Eggs are not made in a factory. They are laid by hens. And hens are very wayward, feminine creatures. Some hens lay more eggs than others. All hens lay more eggs at some time of year than at others. Young hens lay smaller eggs than old hens. Hens kept under cover are warmer, drier and better fed. So in return they lay more eggs than hens who wander about the fields with wet feet."

An exception to the statement that eggs are laid by hens comes from Africa's Cape Colony, where a Banhoek farmer named Herman Schumer has a *rooster* that has laid 40 eggs.

It's a bi-sexual rooster, which also has fathered chicks from the eggs of two hens mated with him. Herman is trying to insure the rooster (a Rhode Island Red) for $30,000.

* * *

THE OTHER NIGHT we drove home through a tropical deluge to find the approach to our driveway completely submerged. It reminded me of actor David Niven's tale about that inimitable American humorist, the late Robert Benchley, a story I heard years ago and recently revived by Walter Winchell.

Benchley was planning a trip to Europe and Niven arranged a visit with some friends of his in Venice. Arriving there, Benchley immediately dispatched a cable to Niven. It read: "Street full of water. Advise."

Napier Moore is a former editor of Maclean's, former editorial director of Maclean-Hunter Publishing Co., who now pursues his writing career, at a more leisurely pace, in the Bahamas.

What Others Are Saying

They Build Canada

Victoria Colonist

That was an encouraging and impressive report given the other day at Ottawa on the success of more than 5,000 new Canadians who came to this country in a tide of post-war immigrants to make homes for themselves. The energy, ability and pioneering spirit of their success run true to the dream that is closely held in Canadian hearts.

Naturally, not all of the newcomers have been able to get their roots down so quickly, but they have before them this proof that it can be done; that Canada is pioneering as actively today as ever it did in times past.

For many newcomers immigration must have meant a serious upheaval and a critical change in their lives. Many, perhaps most, had a languge difficulty to overcome; and the English tongue is one of the most difficult in the world to learn.

One generation from now this nation will have absorbed these new settlers, and many others like them, with infinite enrichment to its arts and skills and to its own passionate belief in Canada's destiny. Meanwhile they are setting a bright example of what courage and goodwill can do when applied in a free land.

* * *

THE ONLY OBJECTORS to daylight saving time in Alberta (which hasn't any) must be the cows, concludes the **Calgary Herald** after offering proof that most people are in favor. "It thus follows that they (the cows) must be able to tell the time, for even with daylight saving time in effect they would have to be milked twice daily. So we may have the dullest legislators in the country, but we've got the smartest cows."

* * *

SOMETIMES we think this matter of price supports for certain classes is not only overdone but is manifestly unfair, declares the **Dutton (Ont.) Advance.** "If a garage, general store or any other type of business or factory falls on evil days it must work out its own salvation or go to the wall."

* * *

NERVE-WRACKING NOISE, like foul air, is not something we have to tolerate without limit, in the name of progress, argues the **Montreal Star.** "When technicians put their minds to such things, it is often surprising how quickly the insurmountable difficulty disappears."

Stop Me If . . .

A prisoner in the penitentiary received a package from home and, a few minutes after opening it, burst into tears. "My wife doesn't love me any more," he sobbed to his cellmate. "Doesn't want me back."

"How do you know?" the cellmate inquired.

"She sent me a cake without a file in it."

* * *

The truck driver was carefully manoeuvring his truck past when a lady driver, attempting to park her car in very limited quarters, crashed into him.

Her face flushed with exasperation, the irate lady leaned out the window. "You could see I was going to do something stupid," she yelled up to the trucker, "why didn't you wait to see what it was?"

The Financial Post

Member Audit Bureau of Circulations
Member Business Newspapers Association of Canada

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Advertising Manager: Austin A. Weaver.
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Subscription: Single copies 25c. Yearly in Canada $8 (two years $14); all other countries $9 (two years $16).

Advertising Rates: Single insertion $9.80 per column inch. Contract rates upon request.

Authorized as second-class mail, Post Office Ottawa. (Send forms 29B and 67B to Toronto address).

Indexed by The Canadian Index of The Canadian Library Association published monthly and cumulatively annually.

Other Publications and Services of The Financial Post

CORPORATION SERVICE: A. C. Bowman, manager. Complete service $38 monthly. For individual investors, $10 a year for service on 5 companies; additional companies $2 each.
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Published and Printed by
MACLEAN-HUNTER PUBLISHING COMPANY LIMITED

TORONTO 2: 481 University Avenue. EMpire 3-5981.
MONTREAL 2: 1242 Peel St. UNiversity 6-9841.
VANCOUVER 5: Room 1004, 1030 West Georgia St., MU. 3-8254.

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MACLEAN-HUNTER LIMITED
LONDON: 30 Old Burlington Street, London W.1. Cable Atabek. REGent 7941.

MACLEAN-HUNTER PUBLISHING CORPORATION
NEW YORK 17: 341 Madison Ave., ORegon 9-8266.
CHICAGO 3: 79 West Monroe St., RAndolph 6-2803.

Representative
DUNCAN A. SCOTT & CO.
San Francisco 4: Fifth floor, 85 Post St. GArfield 1-7950.

May 7, 1960

How The Politicians Ruin Education

Canadian writer says mediocre teaching results from bureaucratic control...

By J. B. McGEACHY

"I CAN NEVER UNDERSTAND all this fuss about education, ma'am," Lord Melbourne once said to Queen Victoria when he was her prime minister. "None of the Pagets can read or write and they do damn well," the Pagets being then, as I think they still are, a patrician family with a discriminating taste in horses.

Since Lord M's day, the fuss about education has become a universal mania; and Lord M, a shrewd politician as well as a classical scholar, would probably be less candid if trying to hang on to office in the age of votes for everyone. He might even have honestly changed his mind. Downright illiteracy is out of date.

Though the main purpose of schools is no doubt, as Shaw noted, to keep children aged 6 to 16 locked up safely for at least part of the time when they might be driving their mothers to the head-shrinkers or learning to be juvenile delinquents, the theory is that education will rub off on some of them; and on some of them it actually does. All learn at least to read and write (though not very well) and to add and subtract.

Canadians are now spending about $1.25 billion a year, a large bite out of the national income, on thus instructing the young in public schools, elementary and secondary; and whether these schools are doing a good or even passable job is a matter of controversy. The most ferocious onslaught on them I have ever read is in a new book called "The Politics of Education" by Dr. Frank MacKinnon, head of Prince of Wales College at Charlottetown, P.E.I., one-time university teacher in Ottawa and member of the Canada Council.

He does so thorough a job of demolition, he so fiercely lambastes the public schools for stupidity, inefficiency and dullness that only one conclusion from his evidence seems possible to me: namely, that a private school is the right place for every child with any brains at all. But Dr. MacKinnon doesn't so find. Instead, he produces a wonderful scheme for reforming a system that looks, as he describes it, past praying for.

The nub of his argument is that public schools and the teaching profession, the most "totalitarian" and "socialized" institutions in the land, are wholly under the thumb of politicians, bureaucrats and miscalled experts — greatly to the national detriment. In this respect the teachers are in a wretched position by comparison with other learned groups.

The attorney general in any province must show some respect to the courts and the law society. The minister of health has nothing to say about the education of MD's and wouldn't dream of telling them how to treat diseases.

But the minister of education with his curriculum-makers, inspectors and other functionaries (who spawn and proliferate in strict accordance with Parkinson's law) dictate to the teacher from the beginning to the end of his career.

J. B. McGEACHY

"Dr. Frank MacKinnon would abolish the minister of education and all his supernumeraries. He would then set up the school system as a public trust, on the model of the CBC or CNR, beyond the reach of political influence."

Doctors and lawyers, engineers and architects, set their own standards, discipline themselves and offer the public, for fees, a service of their own devising. Not so the teachers. They are trained, licensed, hired, paid and inspected by the state. The state tells them exactly what to teach, how to teach it, what books they must use and even that p. 205, or some other page, must be reached at the end of this or that term.

The results of this system, according to Dr. MacKinnon, are horrific. As civil servants, and not very exalted or esteemed ones at that, teachers perform "menial" duties while a school principal combines the functions of "chief clerk and floor walker".

To such a profession, he charges, not many able persons are attracted. Of course there are, as must always be said in this context, zealous teachers ("dedicated" is the word) with real talent for the job and scholarly knowledge of their subjects; but the general level is poor.

Of 368 students at a Canadian teachers' college only 8% had first-class standing in high school and only 22% were qualified to enter a university. Of 630 Ontario teachers of mathematics and physics, the Engineering Society found, 400 had never gone beyond high school level in studying these subjects. Figures like these, taken from Dr. MacKinnon's book, show how it's possible for a teacher to be only one jump ahead of her victims.

Dr. MacKinnon has a special contempt for the "teachers' colleges" and "normal schools" to which budding teachers go, usually at age 17 or 18 after a far from brilliant high school career, to acquire a professional sheen. The pompous names of courses offered in these places, "educational psychology," "school administration" and the like, conceal a scholastic vacuum. Dr. MacKinnon derisively mentions "democracy in the algebra class" as typical of the mental baby-food on which the young pedagogues are nourished.

The one thing they positively won't learn at a normal school is more algebra itself, or more of any other subject, French, history, geography or what you please, they may be proposing to teach. They are told HOW to teach it without having a grasp of the knowledge to be imparted. This, Dr. MacKinnon remarks, is like trying to produce doctors by showing first-aid workers how to acquire a good bedside manner.

It is a painful story. Let us drop it and suppose that Dr. MacKinnon has proved (the facts and arguments here are his, not mine) that many teachers are ill-educated persons. The result, of course, is mediocre teaching, the teaching of French, for instance, by persons wholly incompetent in the language, who will never communicate anything of value, let alone educate a single pupil to read, write or speak French.

But this is not the worst of it. The worst of it is that able, eager and scholarly teachers are discouraged from doing their best. There's no demand for it.

There are two reasons for this. One is that, for civil servants of modest grade, the rut is where peace and safety are found. The "different," original or enthusiastic teacher, who won't stick to routine, is living dangerously and asking for trouble. He's strongly inclined to conform — for the sake of his blood pressure, income and mental health.

The other reason is the terrible doctrine of equality, dismal and dreary to men of spirit but dear to the hearts of all democratic politicians.

The minister of education, though he knows better (or perhaps he doesn't), must pretend that all his little charges, or nearly all, have brain-pans of the same capacity. This pretence leads to the convoy system of education in which the slowest vessel sets the pace.

No fathers and mothers, i.e., no voters (or as few of them as possible) must be insulted with the news that their little Willie is too stupid to pass from one grade to the next. The way to guard against such contretemps, and so keep peace and quietness in the great electorate, is to adjust the lessons to little Willie's dim understanding.

Hence the fearful piffle offered to public school pupils as reading matter, in all grades but especially the youngest. I agree with Dr. MacKinnon, if his samples are authentic, that it's an insult to their intelligence if they have any business being in school at all. The spectacle of children of six cutting their intellectual teeth on such tripe as "Come, Puff, come and go up, go up, up, up" would be for me a powerful emetic.

In my view everyone who has learned to read, one way or another, is properly his own expert on when and how that simple trick may best be acquired; so here goes. My mother having taught me the alphabet and the sounds of the letters, I read "Alice in Wonderland" at age four and moved on to "Tanglewood Tales" the next year. In my time this was about par for the course, in Scotland anyway. If an adult had offered me at age six "Come Puff, come and go up," I would have thought the poor man demented, and called the family doctor.

To get back to Dr. MacKinnon, the most devastating remark in his whole book concerns this matter of adjusting the pace of education to the dullest. If, he says, one parent complains that Miss Smith's standards are too high while another parent complains that Miss Brown's are too low, the odds are "overwhelming" that it's Miss Smith, and not Miss Brown, who will get a reprimand and perhaps eventually the boot.

This is a terrible state of affairs. If all that Dr. MacKinnon says is true, my advice to parents would be to put all their offspring in private schools. Though they may be "inspected," the best of these schools suffer from none of the disabilities Dr. MacKinnon finds in the tax-supported institutions.

But this is not the MacKinnon prescription. Having shattered the public school system to fragments, he proposes to put it together again on new principles. Rebellion? Nay, sire, revolution. An axe or claymore is no good to Dr. MacKinnon. He uses dynamite.

He would abolish the minister of education and all his supernumeraries, sack the lot and fairly pronto.

He would abolish (this follows naturally) centralized setting of curricula, textbooks and exams for a whole province.

He would abolish the Canadian Education Association and all normal schools, teachers' colleges and "faculties of education" in universities.

Rebuilding, he would begin by setting up the school system of a province as a public trust, on the model of the CBC, CNR or Ontario Hydro, and placing it (he hopes) beyond the reach of political influence.

He would appoint, in each province adopting his plan, a Council of Education with about 20 members, including some teachers but headed by a distinguished layman. The council's main job would be to budget for, receive and distribute the total provincial grant for education. It wouldn't run the schools. There would be a high degree of autonomy, not just municipal but scholastic.

Indeed, under the MacKinnon scheme, each school of any size would be established as, in itself, a public trust. It would receive its share of provincial money and of local taxes, raised as usual; but it would bank these funds in its own account, devise its own budget and issue its own cheques.

It would be run, financially, by its own board of trustees, presumably consisting of parents with a direct family interest. Its faculty, principal and teaching staff, would arrange the course of studies, choose text-books and library, set examinations and issue certificates.

School principals, under this system, would (or anyway could) compete with one another to attract the ablest teachers to their staffs. They could do this, within budget limits, by offering higher pay; but if they wanted to scrimp on, say, swimming pool and auditorium for the sake of academic excellence, they could so decide.

The teachers available to them would not have prepared themselves professionally (heaven forbid) in anaemic, ersatz places like normal schools. They would be university-trained, for a year or two anyway, in both their subjects and the art of teaching these subjects — best learned, says Dr. MacKinnon, not from professors of pedagogical science but from active practitioners. (The very same principle, of course, applies to interns learning medicine and articled law students.)

Dr. MacKinnon says (and it's self-evident) that his scheme would give Canadian education a variety now lacking. He argues that it would improve the quality of teaching and give individual schools and teachers a chance, as well as an incentive, to make a great reputation.

He even thinks that schools of his design, arousing strong enthusiasm and loyalty, might receive private endowments for scholarships and the like. Such plums don't come to public schools now because, as Dr. MacKinnon wistfully says, "nobody wants to give money to the government." In the words of A. P. Herbert: "Fancy giving money to the government, might as well have put it down the drain. Fancy giving money to the government, nobody will see the stuff again." But an autonomous school, even though tax-supported, might attract benefactions from rich "old boys" if it made a name for itself.

The whole scheme sounds highly attractive; indeed it sounds Utopian. With no room for a detailed critique, here are three questions that occur to me.

Would the general public be willing to pay for a teaching profession as well equipped in an academic sense and as responsible as Dr. MacKinnon requires? I doubt it.

But suppose the taxpayers were ready to foot the bill, does the country possess enough high-calibre manpower to meet Dr. MacKinnon's demands?

At the last census (1951) Canada had 102,578 school teachers against 14,325 doctors, 9,038 lawyers, 1,740 architects, 4,608 dentists and 27,036 engineers — far more teachers than members of these other five professions put together. Many, if not most of those 102,578 teachers (their number is probably at least 125,000 today) would have to be replaced by more talented characters if the whole corps was to be brought up to the MacKinnon specifications.

Could a sufficient number of these exceptional types be found and attracted to teaching? Again I doubt it.

Finally, let us suppose that the MacKinnon plan is going full tilt and that a headmaster of genius, backed by trustees of superior wisdom and virtue, has brought his school resounding fame for general excellence. What happens when this school begins, as it must begin at some time, rejecting bird-brain applicants for admission? Could a "free," tax-supported school get away with it? I don't know the answer.

But if the public school system is to be improved, as it evidently ought to be, Dr. MacKinnon's brilliant ideas merit most careful study by everyone concerned. There's far too much complacency about education in Canada. This book from Charlottetown, written in lively and often sparkling style, does a job of criticism for which the nation should be truly thankful.

The Politics of Education, by Dr. Frank MacKinnon; University of Toronto Press; viii and 187 pp.; $4.75.

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Cominco Profit Ahead of 1959

MONTREAL (Staff) — Earnings of **Consolidated Mining & Smelting Co.** this year should show an improvement over 1959, Cominco President W. S. Kirkpatrick told shareholders last week.

During 1959 company had gross sales of $110,084,379, net earnings of $36,193,775, net profit of $16,704,310.

Kirkpatrick said net earnings for the first quarter this year show "considerable improvement" over the same period a year ago.

Shareholders were told that Cominco is now carrying out an exploration program to find new sources of raw material.

Dealing with hydro-electric power, he said company operations would need additions to generating capacity within the next few years.

"The next step would preferably be the installation of an additional generator in the plant on the Pend-d'Oreille River," Kirkpatrick told the meeting.

"In order to increase the quantity of firm power available from such an installation we would hope to work out arrangements for an interchange of power with U. S. interests and so overcome the effects of irregular water flows."

Construction work on an urea plant at Calgary, a chlor-alkali plant at Trail and company's iron and steel project is proceeding on or ahead of schedule. Iron production, he added, should begin before the end of the year.

With these and other developments under way, Cominco expects a substantial increase in the rate of capital investment over the next few years.

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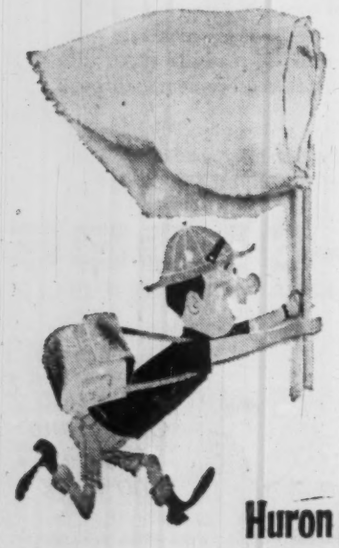

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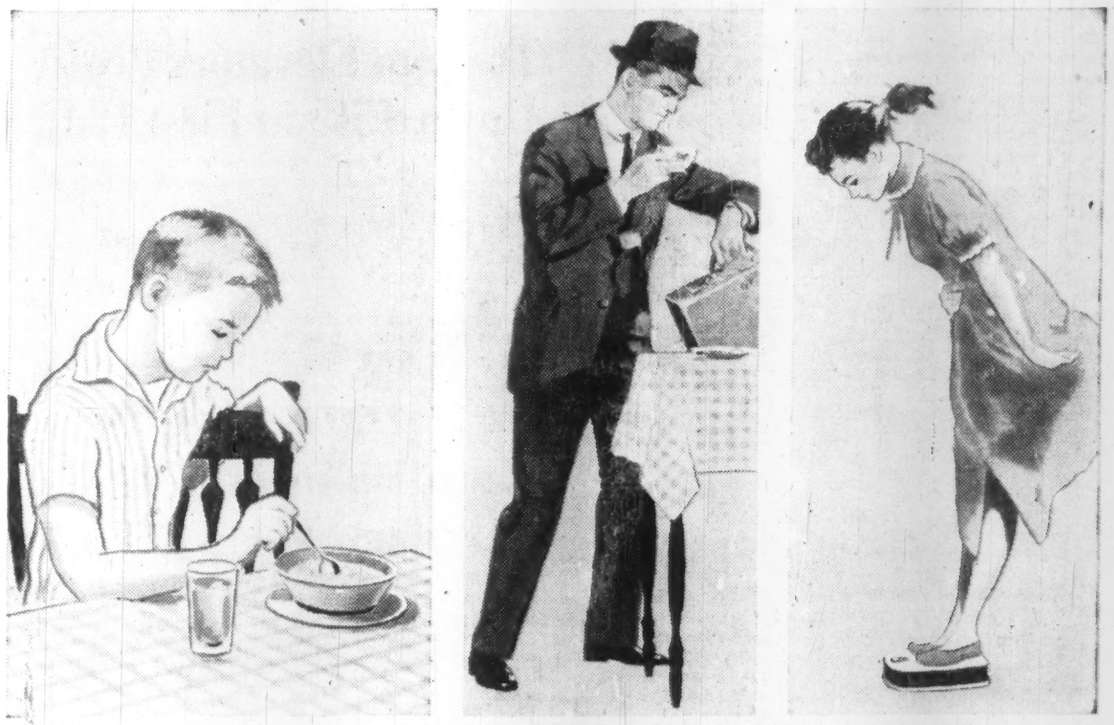

Does Junior get up with no appetite . . . and dawdle over his food? . . . Does Dad rush off to work . . . with only a cup of coffee and a bun to sustain him? . . . Does Sister skip breakfast entirely . . . to keep a trim figure?

Does your family have these breakfast problems?

The success or the failure of your day often depends on the breakfast that starts it. And yet, far too many of us either skip breakfast entirely — or eat a sparse one on the run — or substitute "coffee breaks" for a healthful morning meal.

If you've never thought breakfast important, consider these facts. In the morning, perhaps more than at any other time, you need a well-balanced meal. That's because your energy is lowest after the long stretch between dinner and breakfast. So, your body requires "fuel" to renew your energy — to help you feel better, think more clearly and work more efficiently throughout the morning.

On the other hand, a sparse breakfast invites fatigue. In fact, many studies show that when you eat little or no breakfast, tiredness will almost surely overtake you while the morning is still young.

How much breakfast should you eat? Enough to supply at least one-quarter of your total food needs for the day. And to get the essential carbohydrates, proteins, vitamins and minerals, your breakfast should include fruit in some form; bread made from whole grain or enriched flour; cereal, eggs, meat or fish; and milk to drink.

Such a breakfast (with other things you like including coffee or tea) should be eaten by everyone in the family.

Try it for a while. Chances are you'll notice how much more energy you have, and how much better you'll feel around 11 o'clock than you did before.

If you have "no time" for breakfast, just set the alarm a quarter of an hour earlier than usual. You'll never miss those 15 minutes. And to save time in the morning, plan and prepare the night before.

Even if you're dieting, don't skip breakfast. Without breakfast, you're far more likely to overeat at lunch or dinner. And that can wreck your reducing program.

All of us, overweight or normal, should take time to eat a substantial, unhurried breakfast. It's a fine way to help every member of your family to better health.

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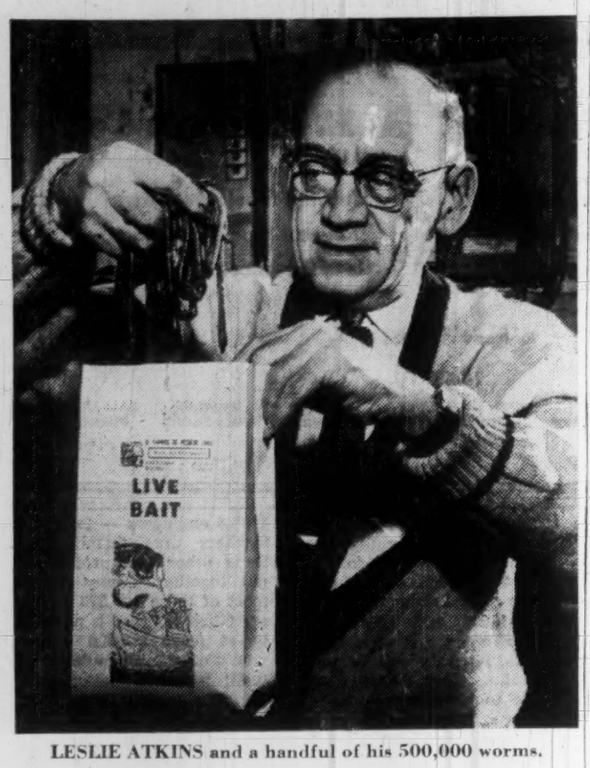

LESLIE ATKINS and a handful of his 500,000 worms.

He Worms His Way To Success

Leslie Atkins of Montreal built a far-flung trade on packaged crawlers for anglers . . .

By C. M. SEIFERT

With the fishing season opening in many parts of Canada, a Montreal businessman is set to supply anglers with a piece of "production equipment" — worms.

Leslie Atkins, 55, has built the unglamorous worm into an attractive sales total. Last season he supplied 500,000 of the creepy fish-tempters to eager customers.

He sells the bait to customers who visit his **Fisherman's Paradise** store in Montreal. But much of his business is with companies and groups that want their worms delivered in bulk to far-distant fishing camps.

Until 1950 Atkins was employed in the printing business with a newspaper. He had worked there for 25 years, but his heart was with tropical fish, his principal hobby.

He discovered a store in Montreal that specialized in tropical fish and live bait. And, he learned the owner needed help in the tropical fish department.

This was too good to pass up and Atkins made the big move. Two years later he bought out his employer.

"It wasn't long before I learned that tropical fish and live bait were speciality lines that conflicted with each other," he says.

Of the two, bait promised the bigger rewards and he moved tropical fish back to the realm of hobbies.

Once in the bait business it became both practical and necessary to keep the store open only between March 15 and the end of October.

Atkins examined the bait trade closely. His competition came largely from the "tin can" trade — youngsters or farmers selling worms on the roadside.

He decided there was a real market for quality worms, properly packaged.

For some reason, he found, the best Canadian worms come from farms in the Toronto area. From the fish's point-of-view, apparently, you just can't beat one of those succulent Ontario numbers.

But worms are not good travelers. And if Atkins was going to have them sent from Toronto to Montreal, then held for a period of time, and then sent on again to fishermen often hundreds of miles away, something new in packaging had to be found.

He came up with the idea of keeping the wrigglers in wet-strength porous paper bags with a bedding of sorghum moss.

Continental Paper Co. produced them to his specification and the problem was solved.

This year Atkins says his customers are going to get their worms in the same bags but with a new bedding. However he won't yet disclose what that is.

"I spent the whole winter experimenting," he told **FP**. "You can't do the same as everybody else. You've got to keep a jump ahead."

Besides worms, Atkins also supplies crawfish and quick-frozen minnows.

Atkins keeps a constant supply of at least 175,000 worms in a cooler at his store. Small red worms in packs of 100 retail for $1. Large night crawlers, in packs of 100, retail for $2.

For the less ambitious fishing party packs of 25 and 50 are available.

Frogs, he finds, are just too expensive. He blames the demand for frogs in laboratory experiments for keeping their price up.

However he is searching for a source of continuous — and not too expensive supply and will add frogs to his line if he is successful.

There's one thing that gets Atkins down.

He has fought a long—and so far unsuccessful — battle with the telephone company to be listed in the yellow pages under "worms."

But both in French and English the best he can get is "Live Bait."

ANNOUNCEMENT

PERINI APPOINTMENT

W. A. ROSE

The Perini Corporation, Framingham, Mass., has announced the appointment of W. A. Rose as Executive Vice-President and General Manager of the company. Mr. Rose has been associated with the Perini organization in Canada since 1956 as President of Majestic Contractors Ltd., the pipeline building affiliate of the Perini companies. He is a member of the American and Canadian Pipeline Contractors Association, the Edmonton Petroleum Club and the American Petroleum Institute and a Director of the Milwaukee Braves Baseball Club. As Executive Vice-President and General Manager of the Perini Corporation, Mr. Rose will make his headquarters in Framingham, Mass., but remain as President of Majestic Contractors.

MANAGEMENT FELLOWSHIP

William M. Young, **Finning Tractor & Equipment Co.**, Vancouver, has been awarded an Alfred P. Sloan Fellowship in Executive Development for a full year of education for management at **Massachusetts Institute of Technology, Cambridge, Mass.**

The Outlook

(CONTINUED FROM P. 1)

ago, when Canada was just starting up out of the recession trough, the advance was within shooting distance of 1%.

▸ **Corporate profits are still turning in year-to-year advances,** but in a good number of firms the gains are on the narrow side. (See p. 4.) Nevertheless, first quarter earnings in 14 of 18 early-bird companies reporting first-quarter experience show increases.

In the U. S. a survey of early reporting companies showed a 6.6% increase, on average. But speculation is that the total is likely to dip back below the 1959 level during the second quarter. (Turns in corporate profits tend to anticipate turns in the economy.)

▸ **The premium on the Canadian dollar vis-a-vis its U. S. counterpart began to edge down in the past week,** after remaining relatively stable during the previous week. **Continuation of this downtrend would add to corporate profits of exporters over the rest of the year.**

In the week ended May 3, the Canadian dollar declined from 103.9c U. S. to 103.3c U. S. for a weekly average of 103.6c U. S. The current decline began six weeks ago and the drop has been from 105.2c U. S.

▸ **Despite improved earnings and a sharp turnabout from year-earlier price-earnings ratios, the stock market currently shows little spirit.**

At mid-week, for example, prices of industrial stocks on the Toronto Stock Exchange were little changed, on average, from a week before and down 1.6% from a month ago. In dull trading, the market price for industrials is 8.5% below the 1960 high point, although up about 3% from this year's low.

An index of investors' attitudes: **The sample of 18 stocks cited on p. 4 are selling at an average of 13.3 times earnings** with only three priced at more than 20 times earnings. By contrast, out of a list of 20 stocks at mid-1959, only one sold under 14.5 times earnings while four sold at more than 30 times and 11 at more than 20 times.

▸ **Bank loans to businesses and to individuals continue to rise and fall erratically**—although last year at this time they were zooming up.

In the latest week for which figures are available, April 13 to April 20, the decline was $29 million. Total outstanding at April 20 amounted to $4,712 million. The gain since mid-February, the usual seasonal low, has been about $50 million or considerably less than might be expected at this time of year.

▸ **Declines in short-term interest rates and yields reflect the fact a large number of institutional investors and corporations are still flush with extra cash.** The yield on the government's 91-day treasury bills for example, declined from 3.58% on April 13 to 3.50% on April 21 and then dropped to 3.26% on April 28.

The prices of some bonds have also risen over the past few weeks, with the resultant decline in yields. The government's short-term 3% conversion loan bond due Dec. 1, 1961, for example, sold to yield 4.02% on May 2 vs. 4.41% two weeks earlier. At the longer end, the yield on, for example, the government's 3¾% due 1975-78 dropped from 5.33% to 5.23% during the same weeks.

But there is speculation in the financial community that bond prices may slip and yields rise again later this summer as companies require more cash to finance their expansion and modernization projects.

▸ **Five bright spots that show why the Canadian economy is in a prosperous phase despite a slowing of activity in some areas:** (1) Iron ore production in February was up 11%, copper 4%, lead 6%, miscellaneous metal 28%. (2) Canada's steel mills in the week ended April 23 were operating at 91.5% of rated capacity vs. 84.7% a week earlier. (3) The value of cheques cashed in February amounted to more than $22 billion for a year-to-year increase of 24%. (4) Deliveries of natural gas are running currently 18% to 20% above year-before levels. (5) New car sales in February were up 8.5% in number from a year ago and 7% higher in value.

Toronto Elevators Profit Down 45% in First Half

Net profit of **Toronto Elevators Ltd.** was 55c a share in the six months ended Jan. 31, 1960, down 45% from the 98c earned in the first half of the previous fiscal year.

In the full 1958-59 year, profit was $1.56 a share.

Decline in earnings reflects a drop in feed business, President J. D. Leitch told **FP.** The period saw a reaction to over-production, which had been sparked by a change in government price support policies.

Volume is rising again, the president said. This year's profit will probably be considerably below last year's $1,178,680, he added, but above the 1957-58 net of $693,388 or 93c per share on the basis of new stock.

THE INVESTMENT FUNDS

Canadian Investment Fund Per Share Value Off 6.4%

MONTREAL (Staff)—Net asset value per share of **Canadian Investment Fund Ltd.** was $8.48 at March 31, 1960, 6.4% lower than $9.06 three months earlier.

President Hugh Bullock reports a net sale of 231,111 shares (259,170 shares in the first quarter of 1959) bringing total outstanding to 14,202,653 shares.

At the end of the first quarter of 1960, fund assets were invested 19% (18.3% at Dec. 31, 1959) in bonds, 3% (3.2%) in preferred stock, 74.8% (76.2%) in common stocks, and 3.2% (2.3%) cash.

During the quarter, the fund reduced its holdings of bonds by eliminating **Canadian Industries Ltd.** 5¾% bonds due 1977 and Ontario Hydro 4% bonds due 1966, from its portfolio.

Two preferred stocks were liquidated and one preferred and two common issues reduced.

Two new common stocks, **Dominion Foundries & Steel Ltd.** and **Fraser Cos.** were added to the fund's holdings and increases made in 23 other common stocks.

Here are the changes for the first quarter in detail:

	Held at Mar. 31/60	Change since Dec. 31/59
Bonds:	$	
Ctl. 5¾% '77	.....	—135,000
Ont. Hydro 4% '66	.....	—1,000,000
Common & preferred	Shares	
Du Pont 7½% pfd.	.....	—2,000
Atlas Steels	13,500	+3,500
Bk. of Montreal	37,100	+4,100
Can. Cement	21,000	+2,000
Can. Bk. of Commerce	32,000	+2,000
CIL	11,000	+4,000
Canadian Oil Cos.	9,000	+4,300
Cassiar Asbestos	8,000	+2,000
Dom. Found. & Steel	5,500	+5,500
Du Pont of Canada	19,175	+2,775
E. I. DuPont	3,500	+500
Fraser Cos.	3,200	+3,200
Hud. Bay M. & S.	44,500	+500
Imperial Bank	6,300	+4,300
IAC	27,525	+2,525
International Paper	35,000	+4,000
Interprov. Pipe	44,000	+3,100
Loblaw A	14,000	+2,000
Loblaw B	46,300	+300
Moore Corp.	50,400	+400
Noranda Mines	52,000	+200
Price Bros.	51,000	+1,800
Royal Bank	27,200	+1,200
Shawinigan W. & P.	120,000	+2,000
Standard Oil N.J.	52,000	+17,000
Hiram Walker G & W	151,000	+1,000
Cons. Paper	114,850	—150
Int. Nickel	43,000	—9,200
Abitibi 4½% pfd.	.....	—2,500
Dom. Glass 7% pfd.	15,000	—5,000

CANADA TO EXHIBIT

Canada will again exhibit at Czechoslovakia's international trade fair at Brno Sept. 11-25 this year. Fair officials expect 2.5 million visitors from around the world to attend.

Armer Now Heads Auto Parts Group

J. C. Armer, vice-president, **Dominion Forge Ltd.**, Toronto, was elected president of Automotive Parts Manufacturers' Association (Canada) at its annual meeting in Toronto.

Vice-presidents: A. G. Coulter, general manager, **Coulter Manufacturing Co.**, Oshawa; W. A. Harrison, president, **Kelsey Wheel Co.**, Windsor; Donald F. Thom, vice-president, **McKinnon Industries Ltd.**, St. Catharines.

Other directors: T. H. Campbell, **Dominion Die Casting Co.**, Wallaceburg; H. A. Elliott, **Galt Metal Industries Ltd.**, Galt; Von R. Kaufman, **Hayes Steel Products Ltd.**, Merritton; R. W. Keeley, **Bendix-Eclipse of Canada Ltd.**, Windsor; W. A. Paterson, **Eaton Automotive Canada Ltd.**, London; E. A. Taylor, **Steel Co. of Canada**, Hamilton; David R. Thom, **Thompson Products Ltd.**, St. Catharines; O. D. Cowan, **Ontario Steel Products Co.**, M. P. Jolley, **Canadian Acme Screw & Gear Ltd.**, and C. E. McTavish, **Perfect Circle Co.**, Toronto.

THE INVESTMENT FUNDS

North American Fund Assets Decline 8.6%

North American Fund of Canada Ltd., Toronto, net assets of $6,725,112 at March 31, 1960, were 8.6% lower than $7,361,268 three months earlier.

Net asset value per share was $8.05 on 835,173 shares outstanding, a drop of 7.3% from $8.68 on 848,448 shares outstanding at Dec. 31, 1959.

In the first three months of the year, the fund sold 7,552 shares and redeemed 20,827 shares.

Chairman G. M. Hobart and President W. F. Shelley report that decline in net asset values reflect the general stock market decline. They say that earnings of companies in fund's portfolio rose over 15% on the average as compared with an over-all increase in company earnings of 12%.

During the quarter, the fund liquidated its holdings of **Hardings Carpets** and **North Star Oil** Class A and increased investment in **Firestone Tire & Rubber.**

Here are the changes for the quarter ended March 31 in detail:

	Amount held Mar. 31 1960	Change since Dec. 31 1959
Common	Shares	
Harding Carpets	nil	—800
North Star Oil 'A'	nil	—4,000
Firestone Tire & Rubber	1,530	+1,020

Not Much Chance of Gain For CPR Profit in 1960

MONTREAL (Staff) — **Canadian Pacific Railway Co.** had a 1.5% drop in freight revenues and a 5.5% decline in passenger and other revenues during the first quarter of 1960.

An expected upturn in freight traffic during April did not materialize, CPR President N. R. Crump told shareholders here this week.

Reviewing the outlook for 1960, Crump said:

- **Railways:** net rail earnings should be about the same as 1959 when they totaled $36 million.
- **Steamships:** Little change.
- **Airline:** Crump sees a difficult year ahead for Canadian Pacific Airlines. Main problem, he said, was the government decision to allow CPA only one daily trans-continental air service. Competition from jet aircraft is also a difficult problem.
- **Petroleum:** CPR is now in the investment phase of its petroleum resource development program. As a result, Crump said, earnings available for net income are not expected to increase this year.

"In summary," he said, "1958 and 1959 have not been good years for the company and 1960 does not hold promise of much improvement, if any."

Diversification should begin to pay off for the company in the future. But, Crump pointed out, the major part of CPR's investment is still in the railway business and it is there that things must be made to improve. Aggressive action has been taken to reduce passenger service to fit the demand.

Still further cuts in passenger services will have to be made.

CPR plans to increase its freight business, Crump said. Company is already Canada's biggest highway carrier and is progressing with plans to integrate its services.

The railway is constantly studying the pricing of rail freight.

"The only real disability of your company in the pricing of freight transportation is the statutory rates on grain moving to export positions in Western Canada. This is one of the major questions now being considered by the Royal Commission on Transportation.

"Your company has presented a great deal of evidence to the commission on the western grain rate problem, including the most intensive analysis of railway costs that has ever been made.

"I am hopeful that before the next annual meeting a favorable recommendation from the royal commission on this long-standing inequity will have been made."

Crump complained about the "large amounts of free capital" made available to CPR's competitors. This he said was unfair. In future, public funds should only be advanced to them on a business basis.

If this is done and the grain rates altered, Crump concluded, the outlook for CPR is a bright one.

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ANNOUNCEMENT

VICE-PRESIDENT

HOWARD C. BAKER

The election of Howard C. Baker as Vice President and General Manager of J. Hungerford Smith Co., Ltd., has been announced by M. Martin Wahl, president. The company, with headquarters in Toronto, was recently formed to continue the business of The Hungerford Smith Company Limited, leading supplier to the Canadian soda fountain and ice cream manufacturing trade.

ANNOUNCEMENT

NEW IMPERIAL OIL VICE-PRESIDENTS

VERNON TAYLOR L. D. FRASER

Vernon Taylor and L. D. Fraser have been elected vice-presidents of Imperial Oil Limited, following the company's annual general meeting. Mr. Taylor, general manager of the company's producing department, has been an Imperial director since 1958. Mr. Fraser was general manager of Imperial's marketing department when he became a director in 1957

Chemists Meet At Quebec City

Canadian Chemical Engineering Conference, sponsored by the Chemical Engineering Division of the Chemical Institute of Canada, will be held this year in Quebec City Nov. 6 - 9.

Chairman of the General Conference Committee is Prof. P. Grenier of Laval University.

Other members include: O. J. Walker, vice chairman; A. Cholette, committee co-ordinator; L. Cloutier, treasurer; L. A. Dickinson, secretary; W. J. M. Douglas, program; J. Y. Belanger, registration; J. P. Bolduc, hotel accommodation; J. L. Chollet, publicity, and L. P. Blanchard, social events.

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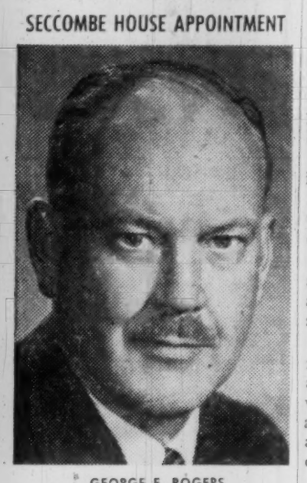

GEORGE F. ROGERS

Mr. W. W. Seccombe, president of Current Publications Limited, Seccombe House, Toronto, announces the appointment of George F. Rogers as publisher and managing editor of the Canadian Food Journal which commences monthly publication in January, 1961. Mr. Rogers joined Seccombe House recently after nearly 20 years with the Star Weekly as chief magazine editor and executive editor. He is a vice president and director of Lake Simcoe Ice and Fuel Limited.

House Building Trend Could 'Go Anywhere'

(CONTINUED FROM P. 1)

ronto area report that sales are moving briskly and that the surplus which existed a short time ago is evaporating at a good clip.

One of them told FP:

"Toronto normally contributes about 13% - 15% of the national total each year. While the grand total will be down this year, Toronto's share should still be around 15%."

Main reason for any slowness in sales there seems to be not lack of demand but customers who are shopping around critically.

Sales vary from area to area and design, layout, finish, price, are what are sparking — or not sparking — sales.

While it's far too early for rash predictions, some experts are betting that, if sales keep up while starts drag, demand may actually exceed the supply around Toronto by summer's end.

In Montreal:

"Definitely a buyer's market," a spokesman said.

There, completed and unoccupied homes and duplexes at the end of March were up 472 from 303 in March, 1959, while completions dropped from 3,570 to 2,667.

But here again, critical customers looking for a bargain or a price cut, rather than lack of demand, seem to offer the reason.

It's reported that some builders are cutting prices a little.

But, across the board, prices are generally holding firm right now.

Completed, unoccupied homes and duplexes in some other major centres:

- **Edmonton:** 272 at the end of March against 196 a year ago but completions were up considerably, to 927 from 807, for first two months of the two years.
- **Vancouver:** A soft spot some time ago, down from the previous year to 437 from 469.
- **Winnipeg:** Up to 164 from 108 but completions for the first two months alone shot up to 870 from 317 a year ago.
- **Calgary:** 112 against 87 a year ago while completions rose to 1,025 from 386.
- **Ottawa-Hull:** 194 against 225 in 1959 but completions were up to 648 from 160 for first two months alone.

May and the first half of June should tell the tale for housing this year.

The bright side of the outlook:

Since the restricted direct loans came into effect the first week of April, there were 2,500 preliminary applications to April 22.

In Toronto, there were about 300 and, in Montreal, a CMHC official said: "We are being inundated with requests for information."

This suggests that the demand for direct loans will be substantial.

In March, NHA loans from approved lenders were double those of February, from 514 to 1,166.

The 6¾% new NHA rate may give impetus to sales of new homes still coming on the market at the old rate of 6%.

But counteracting this:

Indications are that approved lenders are still pretty uncertain and still not enthusiastic about NHA loans.

They aren't convinced that the demand for houses is really there and, in Toronto at any rate, they're reluctant to make any committments on speculative NHA building.

Increasing caution about business prospects, plus a feeling of buyers' resistance to higher interest rates on both NHA and conventional mortgages, plus the fact that lenders consider administration of even 6¾% NHA mortgages a headache, are making them move slowly.

Conventional lending is down and there's more 7¼% mortgages and less 7½% talk, one trust company mortgage manager told FP.

While bond yields have been dropping recently and conventional interest rates traditionally follow suit, there's no feeling yet that the conventional rate will slip drastically. But it could ease to 7% by the end of the year.

New Pulp-Paper Figures

	March 1960	March 1959	% Incr.	First Quarter 1960	First Quarter 1959	% Incr.
	Tons	Tons		Tons	Tons	
Pulp Output	968,388	852,340	13.6	2,748,123	2,478,496	10.9
Use in Canada	741,646	654,703	13.2	2,098,007	1,896,683	10.6
Exports	230,599	188,339	22.3	619,405	561,052	10.4
Paperboard Output	98,029	71,766	36.6	243,840	214,276	13.8
Use in Canada	78,653	66,644	18.0	200,194	192,784	3.8
Exports	7,930	4,756	66.7	22,362	16,518	35.3
Wrapping Paper O.P.	....	....	..	77,805	76,170	2.1
Use in Canada	....	....	..	67,944	66,416	2.3
Exports	....	....	..	8,127	6,964	16.7

Gatineau Will Get Less For NBEPC Power Plant

MONTREAL (Staff) — **New Brunswick Electric Power Commission** paid **Gatineau Power Co.** $5 million April 19 on account of compensation for company's property expropriated by the commission.

This was revealed by President G. Gordon Gale at company's annual meeting.

Gale added as a result of two recent acts passed by the New Brunswick legislature, new rules will determine compensation payable to the company by N.B. Power Commission for expropriation of company's former waterpower site at Grand Falls, N.B. (See pp 62, 65).

"The effect of these two acts will be to reduce the amount the company may claim for the property so taken.

"The amount of the reduction set forth in the compensation action has not yet been determined," Gale added.

Again, continued firming up of bond prices could make the 6¾% NHA rate more attractive.

The situation could change overnight.

Feeling is split pretty evenly between the pessimists who expect a much-curtailed housing-start picture and the optimists who think life insurance companies will still come up with a substantial lending program this year.

If direct loans reach 15,000 units, those from approved lenders 15,000, with possibly another 5,000 from banks, it would then depend on non-NHA lending to make up another 85,000-plus to reach the predicted 125,000.

Conventional and private lending has been running at around 80,000 or so units in recent years but even here, the picture is obscure for 1960.

Jamaican Firm Plans Expansion As Sales Climb

Canada likes Jamaican-made baseball mitts.

As a result, **Winnwell Manufacturing Co.** will increase production when it completes a move this fall to a new building in Lucea, Jamaica.

"The company will also market hockey gloves in the Canadian, U. S. and European markets," Harold A. Braham, general manager of the Jamaica Industrial Development Corp., says.

Winnwell will nearly double the staff to 50 employees in September in its new 6,000-sq. ft. plant.

The company operates under the Export Industry Encouragement Law. It is a subsidiary of **Wellinger & Dunn.**

Butterfly Hose Output Higher

Shipments by **Butterfly Hosiery Co.**, Drummondville, Que., in the first quarter 1960, were 18.8% ahead of the corresponding 1959 period, President R. Weaver told shareholders at the annual meeting.

Preliminary figures show profit for the period lower due to no full-fashioned production in January and February.

Indications are that earnings will improve over the full year, Mr. Weaver said.

Company sustained a net loss of $2,137 in 1959, compared with 1958's loss of $20,775.

Butterfly has made an agreement with **Belding-Corticelli Ltd.** to manufacture that company's requirements of full-fashioned and part of their requirements of seamless hose.

It is estimated this agreement will double Butterfly's output of full-fashioned goods, the president said.

Company is now operating 120 seam-free, 400 needle machines and expects delivery of another 10 machines during the next two months.

J. Simard Heads Planning Group

Jacques Simard, Preville, Que., has been elected president of the Community Planning Association of Canada and Major General M. L. Brennan, Ottawa, has been appointed national director.

CPAC is a national organization which promotes citizen participation in planning orderly growth of Canadian cities and towns.

Simard, owner of the **Franco-American Chemical Co. (1954) Ltd.**, in Montreal, and president of **Preville Ltd.**, is a former national director of CPAC.

Other CPAC council members: vice-president, F. J. Cornish, Toronto; Sir Brian Dunfield, St. John's, Nfld.; Roland Bedard, Quebec City; A. Thomson, Arvida, Que.; Roger Marier, Ottawa; G. B. Langford and F. Gerald Ridge, Toronto; C. H. Templeton, Winnipeg; Mrs. J. R. Hoag, Regina; Denis Cole, Red Deer, Alta.; J. H. Steede, Vancouver.

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DIVIDEND NOTICE

HENDERSHOT PAPER PRODUCTS, LIMITED

The Board of Directors of Hendershot Paper Products Limited, at a meeting thereof held on April 27, 1960, declared a dividend of $3.00 per share on all outstanding 6% Cumulative Redeemable Preference Shares of the Company, payable July 4, 1960, to shareholders of record as at the close of business June 15, 1960.

By Order of the Board.
G. R. MacGOUGAN,
Secretary-Treasurer.

This dividend represents payment of the quarterly dividends of $1.50 per share normally due April 1, 1959 and July 1, 1959.

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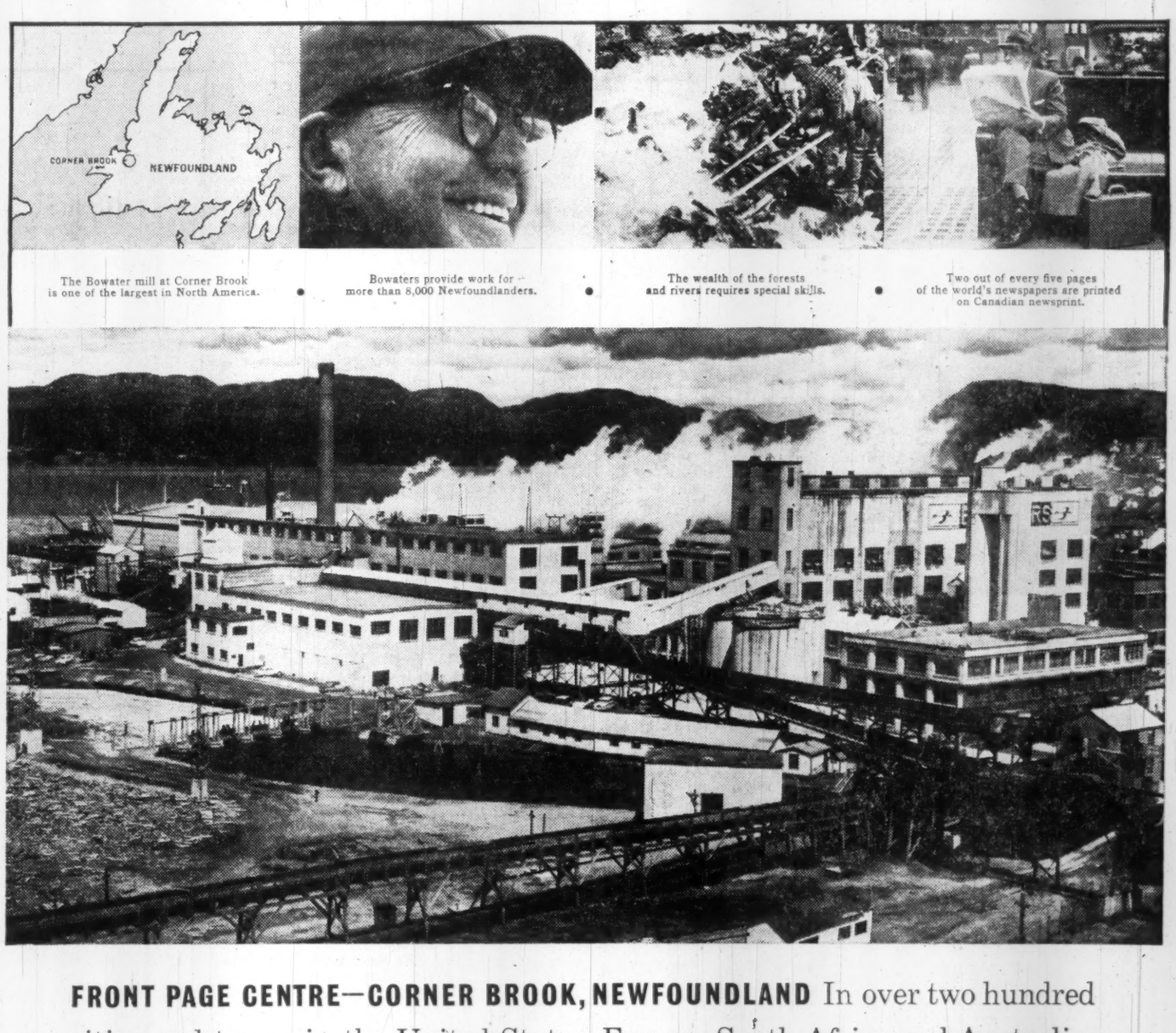

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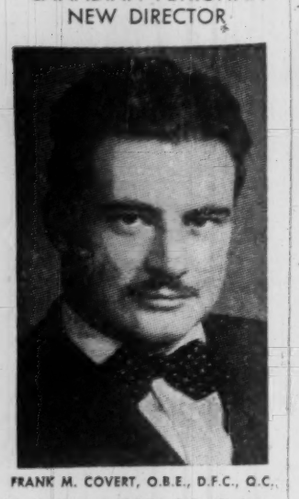
CANADIAN PETROFINA NEW DIRECTOR



FRANK M. COVERT, O.B.E., D.F.C., Q.C.

W. H. Howard, C.B.E., Q.C., Chairman, Canadian Petrofina Limited, has announced the election of Frank M. Covert, O.B.E., D.F.C., Q.C., of Halifax, N.S., to the Board of Directors of that company at its Annual Meeting held in Montreal last week.

Mr. Covert, well-known throughout Canada, is a director of National Sea Products Ltd., Eastern Telephone & Telegraph Co., Maire Ltd., The Royal Bank of Canada, Acadian Lines Ltd., Montreal Trust Co., The Sydney Engineering and Dry Dock Company Limited, Thompson & Sutherland Limited, Minas Basin Pulp and Power Company Limited, Maritime Steel and Foundries Limited, Halliday Craftsmen Limited, Cameron Contracting Limited and other companies.

INSIDE THE NEWS

We Should Have Kept Wampum for Currency

By J. K. EDMONDS

THE LATE Gilbert Jackson used to remark that it was a pity Canada ever abandoned wampum as the unit of currency.

It would have saved so much confusion over the relationship of Canadian money to the U. S. dollar.

The uproar over bank charges on U. S. silver is a vivid illustration of Mr. Jackson's point.

There is no reason — financial, economic or mathematical — why a Canadian quarter should always equal a U. S. quarter.

But when the two pieces of money look the same (except on close inspection), are called the same name, and circulate in overlapping areas, it's hard to dismiss the notion that they should be the same.

The expression "par" referring to a $1=$1 relationship between the U. S. and Canadian dollar is another psychological bear-trap for money managers.

There is no more reason for a $1=$1 relationship than for any other.

But this is the relationship that voters, consumers, tourists and other users of currency consider "right", and governments are required to defend themselves when the dollar remains too far out of line for too long.

The fact that Canadians complain when our dollar is "above par" (on the ground that it's bad for tourism and export income) and complain when it's "below par" (on the ground that it's inconvenient when traveling and an insult to national pride) creates a peculiar difficulty for ministers of finance, central bankers, and other architects of public finance.

If they try to direct our economic policy towards maintaining an even-Stephen relationship with the U. S. dollar it re-introduces into our system the very rigidity we got rid of when we abandoned the gold standard.

It would frequently involve acting against our own best interests.

Of course, Canadians aren't the only ones who complain — especially when there's a premium on the Canadian dollar.

Apart from tourists and the Detroit Times, there are businessmen who find an expected profit wiped out by the difference in exchange.

These are real, not imaginary hazards even though they may be based on a totally imaginary notion of the "proper" relationship of one currency to another.

It's too late now, of course, but life would certainly be simpler for Canadians in some respects if our currency went something like this:

10 zots = 1 beaver.

10 beavers = 1 wampum

1 wampum = roughly 25c U. S.

This would eliminate any feeling that the currencies should be at par (why should a wampum equal a dollar?).

It would please U. S. tourists ("Look at all the folding money I got for $10!) and do no harm to Canadians traveling abroad (who would remember to change the wampum before leaving and not expect a Florida retailer to pay a 5% premium).

It would cut down illogical comparisons of wage rates, prices and other non-comparable data between Canada and the U. S.

In short, it would help Canadians to remember that our economy, though closely tied to the U. S., is separate.

There is no reason why our price levels should be similar or our wage structures identical; and there is no reason why our dollars should be at par.

Sales Opportunity In Latin America

PRIME MINISTER Diefenbaker's visit to Mexico, External Affairs Minister Green's forthcoming tour of South America, and the suggestion that Canada may join the Organization of American States, are all indications that this country is reacting rapidly to an important change in the market situation Canadian goods now face.

The rapid expansion of Canadian exports after World War II (when many Canadians were predicting recession) was due largely to the effect on Europe of Marshall Plan aid.

That was a timely infusion of working capital into the economies of our traditional customers.

It stimulated their demand and financed their purchases of Canada's major exports.

In this indirect way, Canada was a beneficiary of Marshall aid, even though we never took a cent from the U. S. government, and in fact added our own contribution to the kitty.

Now that Europe is fully recovered, U. S. aid has shifted sharply towards Asia and Latin America—and so have Canadian sales opportunities.

Developing countries need goods. Rising living standards mean expanding markets — especially, in the initial stages, markets for food products.

Canada can help supply this market.

The catch, of course, is that we're not nearly as well connected in Latin America and Asia as we were in postwar Europe.

We don't have a long history of large-scale trade behind us, though some firms and institutions have worked hard and effectively in this area.

Canadians as a whole aren't as conscious of tastes, habits and market possibilities in Latin America as we are of those in Europe.

We'll have to work at repairing these gaps before we can make sales.

Visits by high-ranking Canadians whose trips make news in Canada are a good way to start.

Edwards Plant To Double Size

An addition of 27,800 sq. ft. will be made to the existing plant of Edwards of Canada, one of leading industries in Owen Sound, Ont., President R. H. Andrews announces.

The plant, which makes electrical signalling equipment, will be more than doubled in size by the expansion. Employment is expected to reach 170 within five years.

New addition should be completed by Jan. 1 next year.

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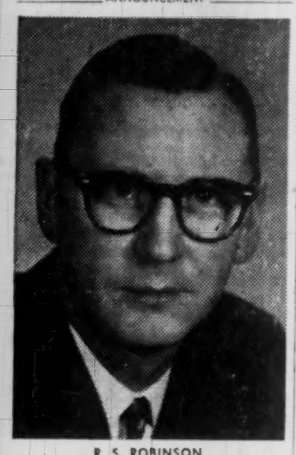

R. S. ROBINSON

Mr. R. G. Mactaggart, President and General Manager of Reichhold Chemicals (Canada) Limited, announces the appointment of Mr. Ralph S. Robinson as Technical Director of the company. Mr. Robinson has also been appointed Technical Director of Varcum Chemical Corp. (Canada) Limited, a subsidiary company.

Mr. Robinson is not new to the organization, having formerly been head of research of Reichhold Chemicals in England.

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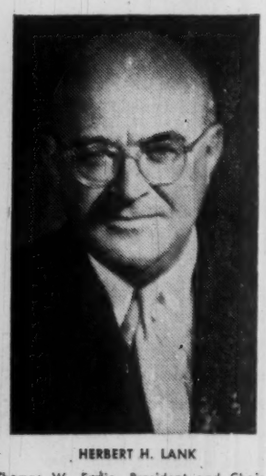
ANNOUNCEMENT

NEW BELL DIRECTOR



HERBERT H. LANK

Thomas W. Eadie, President and Chairman of the Board of The Bell Telephone Company of Canada, announces the appointment of Herbert H. Lank to the Board of Directors of the Company and to the Executive Committee.

Mr. Lank is President and a Director of Du Pont of Canada Limited and is a director of a number of other Canadian companies.

He is a Vice-President and Director, Canadian Council, International Chamber of Commerce; Member of the Board of Management, Montreal General Hospital; the Canadian-American Committee, National Planning Association; the Advisory Board of the McGill School of Commerce; the Advisory Committee to the Department of Business Administration, Bishop's University; and of the Committee of National Advisors, National Council of YMCA's of Canada.

Seaway Speed-Up Program Clicking

Forecasts of smoother sailing on the Seaway system were borne out by experience of the Welland Canal in April (**FP**, April 30).

The canal handled more than double the traffic locked through in April last year, with no serious delays.

Ice was less of a hazard this year, the St. Lawrence canals opened earlier, and fewer ships were waiting to proceed upbound when the Seaway did open.

In the month 507 vessels passed through the Welland locks, compared with 246 a year ago.

Of 308 upbound passages, 67 were ocean ships. Last year in April, only 14 of the 141 which passed upbound were foreign vessels.

One important provision speeding passages is improved communications.

A teletype system installed by the Department of Transport during the winter connects all locks on both the St. Lawrence and Welland systems.

Every vessel clearance will be reported, and officials then will be able to spot quickly, any delay resulting from trouble experienced by a ship.

Teletype communication also will give more accurate information to port authorities as to probable arrival of ships, so that berthing space can be allocated for quicker handling.

The teletype line will be extended to the port of Toronto this week, it's expected.

Toronto Harbor Commission also has adopted the berthing master system to speed movement in the harbor.

Two-way radio will control movement of all ships within two miles of the docks, guiding them into berths and aiding foreign vessel masters to avoid shoals and other hazards.

The Toronto commission also added 25,000 sq. ft. of effective dock space for foreign commerce by modernizing No. 4 Terminal so that ocean as well as lake ships can use it.

With six lines scheduling service into Toronto and other Lakes ports for the first time, a total of 45 overseas lines will send ships through the Seaway this year.

Providing one or two sailings a month initially will be **Irish Shipping Co.**, to Eire; **Barber West African Line,** to the West African countries; **Lakes Continental Line,** to Northern Europe.

Canada Levant Line, Hellenic Lines, and **Midwest Mediterranean Line** will have new services to the Mediterranean.

Two lines will expand previous services:

Saguenay Shipping, which has been operating to the Caribbean and U. K. now will schedule ships to North Sea ports in Europe.

And the **Iino Line,** from Japan and Pacific ports, will now operate beyond Toronto, to Detroit and Sarnia (**FP**, April 23, 1960).

Port of Toronto, which saw its overseas cargoes (import and export) jump from 280,000 tons in 1958 to 713,000 tons last year, is looking for a million-ton year.

One of the biggest import ports on the lakes, Toronto unloads about two tons of imports for each ton exported. Last year 272 ships visited the port a total of 872 times.

This year, for the first time, Toronto is to be an exporting port for wheat.

Board of Grain Commissioners has listed the port to enable ships bringing cargoes to Toronto to load wheat for export without having to move to elevators elsewhere.

Increased shipments of scrap metal to the U. K. and Japan, soybean meal to the U. K. and Ireland, and other bulk cargoes — some of them representing resumption of business which had been taken away by the U. S. S. R. — are expected from Toronto.

Part of the increase in export traffic expected comes from favorable experiences with trial shipments last year.

Business is expected to originate this year on a steady basis from industrial centres within a 100-mi. radius of the port.

New ships will make their appearance.

Some foreign operators have been acquiring medium-sized ships, 300- to 400-ft. long, apparently believing them to be useful in Seaway as well as other ocean service.

Some of the small canalers are being enlarged by lengthening them, so that they can handle perhaps 1,000 tons additional cargo.

Two ships, formerly under foreign registry, have been placed by **Federal Commerce & Navigation Co.** under Canadian registry. They are the Federal Pioneer and Federal Voyager.

Although company says this move does not give any disadvantage in Seaway trade, it means Canadian crews will be used.

Canadian seamen — some of whom are now looking for jobs because of lay-up of small canal ships — are more interested in working and take better care of the ships, company spokesman said.

Ship operators agree that last year Seaway trade was more costly in time and money than they expected.

Larger vessels often went up the Lakes and returned with cargoes that could have been handled by the pre-Seaway canalers.

None will commit themselves as to the expectation that they'll make a profit this year. But they're looking forward to the season with cautious optimism.

DOG FOOD

Nabisco Foods Ltd. introduced a new dog food called "Fetch" to grocery stores and supermarkets in Ontario and British Columbia this month.

MUNICIPAL RESEARCH:

Percentage of Net Debt Best Limit on Borrowing

Municipalities would do well to limit their new borrowings to a certain percentage of net debt outstanding, rather than set any absolute dollar limit, suggests the annual report of the Bureau of Municipal Research.

The report is sharply critical of Metropolitan Toronto's "$100 million limit," which it suggests is meaningless if it is not related to other yardsticks of municipal resources.

The Bureau also rejects a limit stated as a ratio of debt to assessment in Metro's case, "because Metro's assessment base is so far out of date."

Because assessment remains on 1940 terms, inflation tends to reduce the real return on given tax rates.

Rather than increase the mill rate elected representatives tend to increase borrowings.

Shortly after the Metropolitan Toronto adminstration was set up, its Chairman F. G. Gardiner suggested that $60 million might be a reasonable amount of capital expenditure in 1955 when related to the $106 million new assessment in 1954.

The $60 million limit was raised to $75 million in 1956, and $100 million in 1958.

Here is the record of Metro's assessment increases, debenture issues, and increase in net debt 1954-59:

	Increase in Assessment	Debenture Issues $ million	Net Debt Increase
1954	230.4	56.8	47.8
1955	247.0	59.9	46.4
1956	230.9	65.0	52.6
1957	162.0	86.2	70.6
1958	218.9	97.8	78.5
1959	228.6	100.8	66.0

Here are debenture issues, and net debt increase, expressed as a percentage of each year's increase in assessment:

	Total Debenture Issues %	Net Debt Increase %
1954	25	21
1955	24	19
1956	28	23
1957	53	44
1958	45	36
1959	44	29

"The figures reveal sufficient fluctuations in debt retirement to warrant some refinement in the borrowing limits that have in practice been adopted," the Bureau's report says.

"In 1959, for example, a further $12.5 million could have been borrowed without adding more to total debt outstanding than was done in 1958."

The Bureau describes as "fallacious" the argument that the bond market could not absorb more than $100 million Metro debentures annually.

Here are some of the Bureau's conclusions concerning Metro Toronto's debt structure:

- **"The reasoning back** of the expression ($100 Million Limit) has become less than adequate, and so the slogan should be dropped.
- **"New debt limits** should be devised which conform to the recognized relationship between total debt responsibility and total taxable capacity, municipality by municipality.
- **"These standards** should then be employed to convert the 10-year capital program, with its capacity for determining priorities into a thoroughly realistic instrument for debt control," Bureau Director Eric Hardy concludes.

Kerr Gold Net Up 8%

Increased recovery boosted **Kerr-Addison Gold Mines** net profit by 8% in the first quarter of 1960 at $1,322,803 or .28c a share.

Value of production per ton milled rose to $11.92 from $11.48 and operating profit was $5.20 a ton, as against $4.94.

Here are the comparative figures:

	First Quarter 1960	First Quarter 1959
Tons milled	414,582	410,165
Gold oz.	147,540	137,642
Value output	$4,941,637	$4,707,596
Misc. income	95,342	73,163
Costs	2,785,203	2,682,502
Depreciation	130,733	138,546
Taxes	798,240	736,177
Est. net profit	$1,322,803	$1,223,534
Per share	28c	26c

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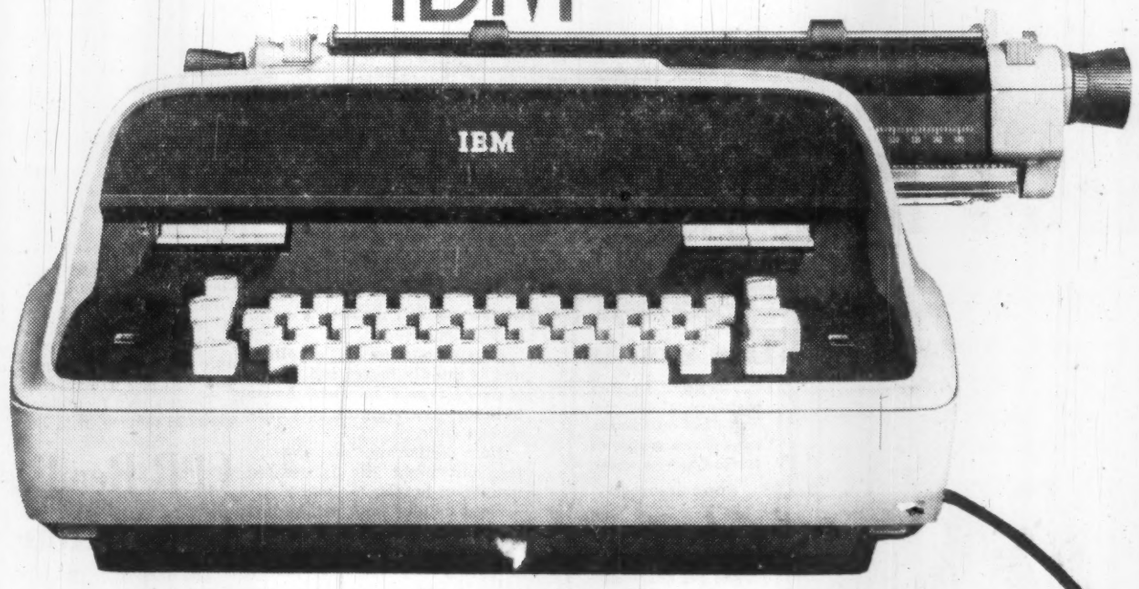

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Season: All year
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POST TRAVEL BUREAU

Where to go—how to go—where to stay

Pick an Island, Take a Choice Of Vacations

By BEATRICE RIDDELL

You pick an island and take your choice of holiday in the U. S. Virgin Islands.

The three major islands in the group—St. Thomas, St. Croix, St. John — are all different, offer quite different holiday fare.

Here's what you should know about the island trio:

• **St. Thomas** will be your choice if you want sophisticated resort life, smart night clubs, excellent shopping.

In Charlotte Amalie, chief town of St. Thomas and capital of the islands, you can spend many days and nights sampling a host of excellent restaurants, cafes and night spots.

For shoppers, the stores that line Jasmine Lane, Orchid Row and Hibiscus Alley offer tempting free port bargains.

In the town and elsewhere on the island there is a wide choice of accommodation—from hilltop and beach front hotels to cottages and guest houses.

But don't think that St. Thomas is just like any tropical resort. Charlotte Amalie, with its red-roofed houses built on steep hills that rise out of a spacious bay, is one of the most picturesque towns in the Caribbean.

You'll get plenty of exercise walking about the town, for many of its streets are little more than stairways up the hills.

There's lots to see elsewhere on the island — an authentic French village, Danish and Spanish buildings, lovely mountaintop lookouts. An island tour is highly recommended.

• **St. John,** just a few miles west of St. Thomas, is also hilly, but completely different in atmosphere. About two thirds of the island is a national park (donated to the U. S. government by Laurence Rockefeller) protecting rare tropical flora and fauna.

There are no towns on the island, few "sites," no golf courses, but plenty of still-deserted beaches and offshore cays ideal for picnics.

St. John is still "off beat" for tourists, with limited accommodation. But there is one large, luxurious resort, some delightful cottages and a few small residential clubs.

• **St. Croix** is very different in appearance from its sister islands.

The largest of the trio (82 sq. mi.), it is the best island for motor touring which is recommended. You can rent a car for about $8 to $10 a day plus mileage.

There are plenty of targets for sightseeing. Christiansted, one of the two towns on the island, is a treasure-house of Danish colonial architecture. Much of the town is maintained by the U. S. Park Service as a national historic site.

Also visit Frederiksted on the other side of the island, ruined great houses of the old sugar estates, ancient forts.

As you drive around St. Croix, you are never far from a beach where you can stop for a swim and a picnic lunch.

Accommodation is excellent and is rapidly increasing. There is every type from guest house to luxury resort in the best Caribbean style.

New restaurants are appearing, but night life is centred mainly at hotels.

Your holiday here will be just as elegant, but quieter than on St. Thomas.

During the summer season (May to December), hotel prices on all the islands drop to bargain levels. You can find accommodation for as little as $3.50 per person (double occupancy) per day. Average rates at leading resorts: $20 to $28 for two, including breakfast.

Whichever island you choose, you can arrange deep-sea fishing expedition or rent a small boat for sailing or cruising. But ardent yachtsmen head for St. Thomas, an important Caribbean centre for chartering larger craft. Charter rates range from about $65 for a day's trip for eight people to $700 for a week's cruise for six people.

There's golf on St. Thomas and St. Croix, tennis on all three islands.

If you want to sample all three kinds of holiday, there is frequent inter-island boat or plane service

Your plane ticket, Toronto to St. Thomas, will cost $259 first class, $207.20 tourist or $162 thrift—all roundtrip. If you fly by jet on the New York to Puerto Rico leg of the journey (available on first and tourist only) you will pay $16 surcharge.

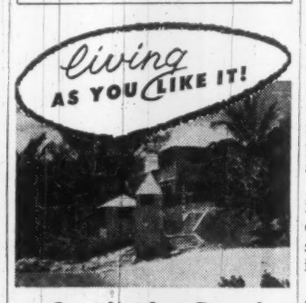
There's also freighter-passenger ship service from New York.

CLUB COMANCHE

Christiansted, St. Croix,
U.S. VIRGIN ISLANDS

A hotel centrally located on the waterfront in the Seaport town of Christiansted. Swimming pool, good food and service the year around.

Write or cable for brochure, rates, and reservations.



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Wide Choice of Festivals For Travelers in Europe

Europe's crowded festival season is getting under way.

The European Association of Music Festivals (with headquarters in Geneva) is sponsoring festivals in 22 major European centres from Dublin to Athens this year.

In addition there are many big events such as Edinburgh (Aug. 21 to Sept. 10), Glyndebourne (May 24 to mid-August) and Salzburg (July 26 to Aug. 31), not included in the EAMF program.

If you plan to include a festival in your European holiday, plan carefully. Remember that many festivals, especially those predominantly music, are specialized. Unless you have catholic tastes, you can make a big mistake if you pick a festival at random.

For instance:

If you don't like Wagner, you will not enjoy the Bayreuth Festival.

On the other hand if you are fond of Mozart, Salzburg is a good choice. Try Vienna for Mahler, Bergen for Grieg, Helsinki for Sibelius, Ansbach for Bach.

For choral music, the Three Choirs Festival in England, the Eisteddfod at Llangollen, Wales, or the Sagra Musicale Umbria in Perugia, Italy are good choices.

Opera: Glyndebourne, Aix-en-Provence, Florence, Munich and major cities in Holland.

Contemporary music is featured at Cologne in June, and throughout the summer at other centres including Venice, Aldeburgh (England) and Warsaw.

Highlight of the summer's drama offerings will be the Passion Play at Oberammergau (May to September).

The Festival of Athens (July 29 to Sept. 15) will feature classic Greek plays in the ancient Acropolis. The Pitlochry modern drama season in the highlands of Scotland (now to October).

Whatever your tastes in drama and music, you are sure to have several festival choices.

Remember tickets and accommodation become scarce as summer advances. Plan ahead.

Best person to give you advice and information on specific festivals, prices, dates, accommodation, etc. is your travel agent.

Travel Tips

PILGRIMAGE to the 37th International Congress in Munich and the Passion Play of Oberammergau is offered by **Air France.** Tour will leave New York by jet for Paris July 24, returning Sept. 17. All-inclusive rate from New York: $1,295.

* * *

UAT FRENCH AIRLINES will step up flight schedule to West and Equatorial Africa during June and July to accommodate an expected increase in traffic to those areas. The independent French carrier, serving 62 cities in Africa from France, will operate 15 extra round-trip flights to Equatorial Africa and 32 additional round-trip flights to West Africa during this period.

* * *

BERMUDA SCIENTISTS have found the fossilized remains of a bird believed to be at least 100,000 years old. About the size of a Bantam, with stubby, underdeveloped wing bones, the skeleton was found embedded in the floor of a cave accidentally opened by a dynamite blast.

PACIFIC TRAVEL is increasing. Last year, 27% more tourists visited 22 Pacific lands than in the previous year. Visitor spending for the fiscal year ending June 30, 1959 amounted to $309 million. During 1959 some 164 hotels and motels were completed or under construction in popular Pacific destinations.

* * *

CUNARD'S liner Caronia will sail from New York Jan. 28 on its 1961 world cruise. The 95-day tour will include stops in the West Indies, South America, South Africa, East Africa, India, Ceylon, Singapore, Hong Kong, Japan, Hawaii, California, Mexico, Panama. Minimum rate: $2,875.

* * *

MEDITERRANEAN CRUISE in **Grimaldi Siosa Lines'** ship Irpinia starts from Montreal July 28. The 33-day tour features Italy and France. Minimum fare: $719.

* * *

"ROCKET" TOUR OF EUROPE? A 17-day tour with hockey star Maurice Richard and Mrs. Richard is offered by **Globus Tours Inc.,** Montreal. Tour includes visits to Prague, Rome, Venice, Monte Carlo, Paris, London and Brussels. Cost: $849 including air fare.

CPR Readies Resort Hotels

The 600-room **Banff Springs Hotel** will be the first of the **Canadian Pacific's** resort hotels to open the new season.

May 19 is set as the opening weekend. Special rates will be in effect. The season runs until Sept. 15.

Chateau Lake Louise, some 40 mi. to the west, will be in operation from June 13 to Sept. 6.

Dates for the two other CPR resort hotels are:

—**Digby Pines,** Annapolis Basin, N.S., June 15.

—**Algonquin Hotel,** St. Andrews-by-the-Sea, N.B., June 23.

Changes in local liquor regulations in the Prairie Provinces has meant opening of licensed lounges in CPR's year-round hotels—**Royal Alexandra,** Winnipeg, **Hotel Saskatchewan,** Regina and **Hotel Palliser,** Calgary.

There is also a cocktail bar at the **Empress Hotel,** Victoria. The Empress doubles as a year-round and resort hotel.

Devil's Gap Lodge on the Lake of the Woods in the Kenora district of Ontario, **Chateau Frontenac** which dominates the skyline of Quebec City and the **Royal York** in Toronto, with 1,600 rooms, Canada's largest convention hotel, also cater to summer visitors.

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THE WELLINGTON, 55th St. at 7th Ave.

In London, England
THE WESTBURY, Bond St., Cables: WESTBUROTL

Write Knott Hotels, 575 Madison Ave., New York 22, N. Y., for free New York City map folder which lists all Knott Hotels, their location and rates.

DELIGHTFUL

The delight in sightseeing about Bermuda, reliving her past and revelling in the brilliant colouring of sea, sky and flowers. Bermuda's only 24 miles long so getting about is no trouble. And there's the fun of swimming, sailing, fishing in these holiday Islands. Playing on magnificent golf courses, superb entous-cas tennis courts.

EASY-GOING

Loaf on pink sandy beaches, the softest this side of a cloud. Picnic in a picture cove. Shop leisurely for wonderful buys. Dine and dance. Live as you please. There's social gaiety in hotels, informal living in a guest house, or complete privacy in a cottage colony. Plan your trip wisely, plan with your travel agent. The Bermuda Trade Development Board, 111 Richmond Street, W., Toronto, Canada.

BERMUDA

Toronto Papers Open Insurance Policy War

They go after subscribers with "nickel a week" accident premiums . . .

By H. R. SUYDAM

Newest wrinkle in the circulation war between Toronto's two afternoon dailies — The Telegram and Daily Star — is "nickel" insurance.

Home-delivery subscribers of both papers are being offered accident insurance coverage with maximum death or dismemberment benefits ranging to $18,000.

Premiums are paid on a weekly basis — 5c per person or 15c per family—and are collected by the carrier along with his regular collection.

The Telegram's policies are underwritten by **Continental Assurance Co., Chicago, Ill.**; the Star's by **British Pacific Life Insurance Co., Vancouver.**

Insurance men say that it is difficult to make a comparison between the plans of the two Toronto papers and anything in the accident field sold by insurance companies selling in the ordinary way.

Premiums are admittedly higher, but the coverage is not subject to the great number of exclusions set out in the newspaper policies, insurers say.

British Pacific says that the relatively low cost of administering the Star's insurance scheme make low premiums possible.

Mass merchandising, inexpensive collection, few underwriting costs, no need for mailing of receipts, premium or lapse notices, plus a minimum of files and records, cut costs to the bone, it says.

All administrative costs are looked after by the insurance company. Advertising costs are met by the paper.

Whole cost of the scheme is paid for out of premiums. There is no subsidy from the newspaper, British Pacific says.

On April 23, the Star started the "war" with a front-page story and a full-page ad setting out its offer in considerable detail.

Three days later, The Telegram countered with its own proposal, matching the Star's first-year top benefit of $10,000 but giving little information on the range or limitations of the protection offered.

It almost appeared that Old Lady of Melinda St. had been caught off balance.

In recent ads The Telegram has increased the maximum first-year coverage to $12,000. No changes have been made by the Star since its initial offer.

While this type of policy—one in which the premium is paid in small weekly installments to a newspaper carrier — has been available for years in the larger cities of the U. S., and to some extent in the U. K., it is new to Canada.

Two Vancouver dailies, the Sun and Province, sponsored accident insurance plans for subscribers some years ago, but with the premiums paid on a yearly basis and not collected by the carriers.

The Calgary Albertan launched a similar scheme last year.

Both Toronto papers report encouraging reception of their plans.

Neither paper would indicate how many have been signed up.

What do these insurance plans mean to the average subscriber? How good are they compared to accident policies available through normal channels?

Many insurance men, although opposed to this type of merchandising on principle, told **FP** that a man "couldn't go far wrong" in purchasing such policies as long as he fully understood what he was buying.

It's an old axiom, they said, that you get what you pay for.

Some concern was shown that people might be led to think they have more adequate coverage than they actually will have.

Both offers and the ads in support of them have been approved by the Ontario Department of Insurance.

"This is not the type of insurance that the department encourages, but there is nothing in it that contravenes the Act," Superintendent Roy B. Whitehead told **FP**.

Collection of the weekly premium by the newspaper carrier is allowed under the Ontario Insurance Act, since the boy receives no more than 5% of the total premium as a fee.

The Telegram's policies provide accidental death and dismemberment benefits ranging from $250 to a maximum of $12,000, depending on the type of loss and the manner and place in which it occurred.

The policy increases in value by 10% for each year for five years to reach a top of $18,000, with no increase in the 5c or 15c weekly premium.

For minor accidents requiring everyday first aid care, the insurance company will pay up to $6 for doctor's treatment; $10 for X-rays; $15 for ambulance; up to a maximum of $31 for each injury.

For diseases such as poliomyelitis, leukemia, scarlet fever, etc., the cover is 50% for hospitalization, medical care, up to $500.

These latter benefits roughly duplicate those offered by the Star.

Under the Star's plan, top benefit for death or dismemberment resulting from an accident on a railroad, ship, street or subway car, is $10,000 accumulating up to $15,000 after five years.

Since limitations on the type of carrier for maximum coverage in The Telegram's policies is not available, the maximum payments under the two schemes are not strictly comparable.

In the Star's policies, a sliding scale of benefits lowers the ceiling for accidental death and dismemberment to $2,000 for taxi-cab and bus accidents; $1,500 for burning building, lightning and tornado accidents; $1,000 for auto and airplane mishaps and for drowning.

Other accidents at home, at work or play—which form the bulk of all accidents—are limited to a top cover of $500 for death or loss of hands, feet or eyes.

Policies drawn up by British Pacific for the Star also provide indemnity for disability arising out of certain fractures or dislocations with monthly payments ranging from $20 to $100 for a maximum of six months.

Both papers provide for a continuation of coverage during vacation or other periods when the subscriber would not be at home to pay his weekly premium. The subscriber simply pays in advance for the time he is going to be away.

He is not covered, however, if he goes abroad. Territorial limits of the policy are Canada and the U. S.

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APPLIANCE SEMINAR

"Marketing — Keystone of the Sixties" is the theme of this year's appliance marketing seminar sponsored by the major appliance division of the Canadian Electrical Manufacturers Association. It will be held June 9 at the Seaway Hotel, Toronto.

Industrial Growth

Manufacturing plants new to Canada; expansions of existing industry across the nation.

Long Branch, Ont.

Flintkote Co. of Canada has under way a long-range expansion and diversification program. It involves a balanced plan of new plant construction in conjunction with outright purchase of growth potential companies in the construction industry.

The company, says R. G. Wace, vice-president in charge of Canadian operations, will build immediately a new West Coast plant to produce the company's complete line of resin-asbestos and vinyl floor tile.

The company is a major producer of industrial asphalt products and paving materials with plants in Ontario, Quebec and the Maritimes.

Toronto

J. Hungerford Smith Co. will shortly start construction of a 50,000-sq.-ft. plant and office in the Metro Toronto area. Details of location will be disclosed as soon as negotiations have been completed, H. Martin Wahl, president of the newly formed company, said.

The company was formed by **J. Hungerford Smith Co.**, Rochester, N.Y., and **Salada-Shirriff-Horsey Ltd.**, Toronto, to acquire and continue the business of **Hungerford Smith Co.**, wholly owned subsidiary of Salada-Shirriff-Horsey operating in the ice cream manufacturing and soda fountain trade in Canada.

Brampton, Ont.

Construction has started on a plant for **Mastex Industries Ltd.** in the multimillion-dollar **Peel Village Development Ltd.** project at Brampton, Ont.

The plant will be in production in September and will employ 150 people initially.

Besides producing polythene film, it will convert all types of flexible film into products such as bags, sheets and rolls, both printed and plain. Production facilities now located at Rexdale, Ont., will be moved to the new plant. Included: a converting plant and polythene film extrusion plant which recently started production.

Plant will have a total floor area of 75,000 sq. ft.

General contractor is Peel Village Developments Ltd. Architect is **Gilleland & Janiss**, Toronto, and planning consultant is **B. J. Arnold**, Toronto.

Mastex is the first company to start construction of a plant in this planned community comprising industrial and residential development.

Winnipeg

Pressur-Crete Ltd., Winnipeg, has launched a $260,000 multi-phase expansion program to expand capacity and modernize existing facilities.

The company was organized in 1955 as a manufacturer of high-pressure, steam-cured concrete products. At that time principal product was concrete block, with 6,000 units produced daily.

Since then, Pressur-Crete has introduced other precast concrete products and, in addition, has stepped up daily production to 11,000 blocks.

Plans call for installation of two new steam curing autoclaves, now being made by **Manitoba Bridge & Engineering Co.**, Winnipeg. They are believed to be the first such units to be fabricated in Winnipeg. They will provide a capacity of 16,000 units a day.

Expansion also calls for installation of new automatic batching and mixing equipment. Made by **Ramsey Engineering Co.**, Minneapolis, which specializes in engineering control systems of this type, the new equipment will permit batching, mixing and feeding of materials, on an automatic basis.

Hamilton

Dumont Aluminum Products Ltd. is building a 6,400-sq.-ft. addition to its plant at 709 Main St. W., in Hamilton. Building and equipment will cost around $75,000 and will provide for manufacture of several new product lines.

A new phase of the company's expanded operations: introduction of colored aluminum window and door frames. New painting and enamel baking facilities are to be installed to allow 19 color variations.

A line of water softening equipment embodying non-corrosive, fibreglass brine tanks will also be introduced to the consumer market, Hamilton district industrial commissioner K. A. Grant reports.

Midwestern Ontario

Developments in mid-western Ontario as reported by the Mid-Western Ontario Development Association:

Beaver Lumber Co., has taken over **Huron Lumber Co.**, and plans to make extensive changes to that company's present buildings.

Kitchener: **Cluett, Peabody & Co.** of Canada, plans a 54,000 sq. ft. addition to its plant at cost of $685,000. The addition will give the company a total of 151,000 sq. ft.

Preston: **Clawsey-Short Manufacturing Co.**, one of Preston's relatively new industries, has announced production of a newly fabricated fireplace for use in home or cottage. The company also plans a new 25,000 sq. ft. building next year.

Guelph: **Viceroy Aluminum Ltd.**, new company in Guelph, has rented plant space on Huron St., for manufacture of prime windows and combination aluminum doors and windows. A main feature of the operation will be an anodizing process.

Oliver Construction Co., will erect two buildings costing $15,000 each. The construction company will occupy one and the other will be available for rent or lease.

Fergus: **Belwood Appliance Co.**, a newly formed company, has located in Fergus. Company will employ approximately 60 men and women in manufacture of refrigeration and other related products. Company plans a national sales organization.

PRESIDENT REPORTS TO SHAREHOLDERS:

Export Of Gas To Increase Income Of Trans-Canada Pipe Lines Limited

- 1959 Operating Revenues Show Substantial Gain
- Gas Supply Adequate For Present, Future Needs
- Facilities For Export To Be Ready By October 1
- 85% Of Shareholders Are Residents In Canada

Following is the text of an address by James W. Kerr, president of Trans-Canada Pipe Lines Limited, to the annual meeting of shareholders of the company in Toronto, April 27, 1960:

JAMES W. KERR
President
TRANS-CANADA PIPE LINES LIMITED

It is indeed a pleasure to have this opportunity to make a few remarks on 1959 operations, and to comment on some corporate affairs that are significant to our future growth. Since this is the first meeting of our shareholders to be held in Toronto, I extend a special welcome to those of you who are attending our annual meeting for the first time.

During 1959, the transition from the initial construction phase of the company's development, to an operating utility was accomplished. While this change in the operating character of the company was taking place, considerable progress in our market was made, and these developments auger well for our future. As shown in the Annual Report, 1959 operating revenues were $29,626,580, about three and a third times the 1958 revenue. These sales produced an operating profit of $3,347,477, a substantial improvement over the 1958 opperating loss of $749,354. You may recall that $10,080,916 of interest during construction was charged to construction costs in 1958. In 1959 almost all our interest on long term debt and financing charges were deducted from operating profit. This interest and financing charge was $11,795,523 in 1959 and when deducted from our operating profit, resulted in a loss of $8,410,511.

This 1959 operating performance was in line with our expectations for the first year of full operation. The improvement in sales and expenses during the year was encouraging. Continuation of this improvement can be illustrated by a comparison of results for the first quarter of this year 1960, with the first quarter 1959. Sales revenue in the first quarter 1960 were $12,137,000, an increase of 65% over the revenue of $7,376,000 in the first three months of 1959. The loss in the first quarter 1960 was $823,000 compared with $2,284,000 during the same period in 1959. In other words, our sales have increased 65%, and our loss has been reduced to approximately one-third of the loss incurred in the same period of 1959. During the first quarter this year we reached a new peak day sale of 389.2 million cubic feet and, of course, a record quarterly volume of gas sold of 31.6 billion cubic feet.

Our distributors have been attaching domestic users of natural gas at a most satisfactory rate, and commercial and industrial sales are also making stimulating gains. Internally in the company, your management is gratified with the improvement in expense and efficiency of operations. We entered 1959 with 700 employees, and now have 647 people on the staff. The sales revenue per employee this year to date has increased almost twofold over a comparable period in 1959. We are proud to have the longest natural gas pipeline in the world, but more important we want the most efficient gas pipeline operation. Continued control of expenses, introduction of remote automatic operating techniques for our compressor stations and other similar innovations will assist us toward this goal.

During the first half of 1959, emphasis was placed on the acquisition of a supply of natural gas that would be completely adequate for our Canadian and American sales commitments. During this active purchase program our reserves under contract, or letter of intent, were increased about 30% to 7.97 trillion or 7,970 billion cubic feet, a tremendous potential of energy. We are now taking natural gas from 12 fields in Alberta involving 74 contracts with producers. We are confident that our present supply is adequate for present commitments and that future supplies will be available to us as large future sales opportunities unfold.

CAN ATTAIN OBJECTIVE

During the second half of 1959, considerable activity was directed toward preparation for hearings before government agencies of our applications for the export of natural gas to the United States. At all times we have recognized that our main objective must be to provide the most economic and efficient gas transmission service to the Canadian markets which we serve. To make such service possible, Trans-Canada must always be economically sound, and we must always be able to finance the construction of additional facilities which will be required each year to meet our expanding Canadian market requirements. The addition of profitable export revenues now gives us the assurance that we can attain this objective.

You probably know that on October 31, 1959, the Federal Power Commission granted permission for the import of natural gas from the Trans-Canada system by our American customer, the Midwestern Gas Transmission Company, at Emerson, Manitoba. Following this important favorable decision at Washington, the management and employees of your company prepared a very complete and extensive submission to the National Energy Board. During the hearings we told the Board that our export program would definitely be to the advantage of the Canadian customers, and that sales of this magnitude would substantially improve the financial position of our Canadian-owned and controlled company. We also advised the Board that these large export sales would materially improve our ability to purchase the Northern Ontario Pipe Line Crown Corporation facilities thus releasing public funds for other areas of national development. In addition to any contractual obligation, we consider it our duty to acquire these facilities as early as possible. The improvement of our country's adverse balance of trade with the United States that will result from these sales has national significance at this time.

Your Directors and management were profoundly pleased to learn last April first that the Government of Canada had approved the recommendation of the National Energy Board for our export program. A few days ago we received two very important documents from the National Energy Board. The first of these was Gas License No. 1, covering export of 204 million cubic feet per day for a twenty-year period at Emerson, Manitoba. The other document was Gas License No. 2, which approves export of up to 204 million cubic feet of gas on any one day on an interruptible basis at the discretion of Trans-Canada, after all Canadian requirements have been met.

The Emerson sale to Midwestern Gas Transmission Company will mean that our revenue will be increased about $20,000,000 per year for a twenty-year period. Pipe has already been delivered to Winnipeg for installation on our right-of-way south to Emerson as soon as ground conditions permit. Heavy compressor station equipment has been ordered, and compressor station construction contracts will be awarded within a very few days. Eight new compressor stations involving 73,085 additional compressor horsepower are involved in our 1960 construction program, and including one station on the Crown Corporation part of the system, the program involves expenditures of $39,900,000.

We are planning for the additional facilities required for export at Emerson, to be completed and ready for use by October 1, 1960, and at the present time we believe this relatively early schedule will be met.

Export at Niagara Falls to the Tennessee Gas Transmission Company is extremely important to your company, particularly in the early years of our growth and development. The term of our License for Niagara Falls export is for a five-year period expiring at the end of 1965. It is during this five-year period that this sale will be of maximum benefit to us, for it will allow our system to transmit gas at a high load factor through the period when our Canadian markets are developing.

NEW CONTRACT SIGNED

As originally planned, the Niagara Falls export sale could not have commenced until after November 1st this year, but a new contract was signed with Tennessee Gas Transmission Company during 1959 to allow us to commence deliveries as soon as all governmental approvals are obtained. Canadian approval has been granted to us, but Federal Power Commission approval is still required. Preparations for this F.P.C. hearing are now under way and we hope for their approval within a few weeks. It is difficult to forecast the volumes of gas that will be exported this year at Niagara Falls but, subject to F.P.C. approval being granted by the end of June, we are hopeful that this sale will average approximately 50 million cubic feet of gas per day during the last half of this year.

The beneficial effect of these export sales to our Canadian customers and to your company will certainly prove to be significant, and we are extremely gratified that our applications for export licenses were granted.

Our 1960 construction program will require additional financing and transactions involving the sale of $13 million of First Mortgage Pipe Line Bonds will be completed in the near future. This will be the only outside financing necessary this year, except for the sale of Subordinated Income Notes committed for in the terms of the company's original financing. All additional financing this year will be by bank borrowings, arrangements for which have already been made. Your Directors and management will continue to follow the policy, as was stated to the National Energy Board, of selling all securities in Canada to the maximum extent considered practicable by our Canadian underwriters. In this connection we are particularly proud of the Canadian ownership of our shares. As of March 25th this year, 30,162 or 85% of our 35,415 shareholders were resident in Canada, and they held 5,002,166 or 85% of the issued shares of the Company. A total of 4,971 of our shareholders or 14% were resident in the United States, and they held 737,191 or 13% of the shares. In other countries, 1% or 282 shareholders held 121,826 or 2% of our shares. We welcome and value the interest shown by our American shareholders, and our forthcoming export program points up most clearly the close economic ties that are developing between Canada and the United States.

Our Canadian shareholders are from all walks of life and all parts of Canada. Many of them are in a position to promote and assist the acceptance and use of natural gas in the areas of Canada we serve, and it is hoped that they will avail themselves of this opportunity for the further advancement of Trans-Canada.

Only one change in senior executive personnel took place in 1959. Mr. George W. Woods was appointed Treasurer of your Company, following the return of Mr. R. C. Berry to private practice.

Internally in management a spirit of teamwork and enterprise prevails in a way that is most encouraging. We appreciate that the company is on the threshold of important developments, and is engaged in a young but healthy new industry. The achievements and progress toward our goals is merely the story of a great deal of hard work, loyalty and efficiency of the employees of your company. Much has to be done in the future to fulfill the opportunities that lie ahead, but we are confident that the skill, unceasing efforts and enthusiasm which were exhibited during our initial years will help us reach the goals that we have set for the future.

Ladies and Gentlemen, I appreciate very much this opportunity of talking to you about some of the affairs of Trans-Canada. Thank you very much.

Advertisers Elect Yeates

Allan B. Yeates of Toronto at mid-week was elected new president of the Association of Canadian Advertisers.

He is director of public relations and advertising for the **Prudential Insurance Co. of America.**

Mr. Yeates succeeds J. J. McGill, advertising manager of **Imperial Tobacco Co.**, who remains a director of the 180-member association which held its 45th annual meeting in Toronto this week.

Other officers elected:

K. J. Farthing, **Canadian Westinghouse**, executive vice-president; E. J. Coleman, **Kraft Foods**, vice-president and treasurer; J. W. Cook, **Shawinigan Water & Power**, E. T. Gater, **Sterling Drug Mfg. Ltd.**, and P. J. McGinnis, **Bell Telephone Co. of Canada**, all vice-presidents.

Directors: J. J. McGill, **Imperial Tobacco Co. of Canada**, A. F. M. Biggs, **Canadian Industries Ltd.**, R. B. Collett, **Lever Brothers**, D. M. Mackinnon, **General Motors Products of Canada Ltd.**, W. T. MacFarlane, **Canadian Pacific Railway Co.**, George A. Meen, **Christie, Brown & Co.**, Roger Neron, **Robin Hood Flour Mills**, R. M. Sabloff, **The House of Seagram**, W. W. Vanderburgh, **Coca-Cola Ltd.**, R. E. Oliver, **Bank of Nova Scotia**, J. H. C. Penaligon, **O'Keefe Brewing Co.**, and A. G. Mackie, **Abitibi Power & Paper Co.**

General Manager and secretary is B. E. Legate, Toronto.

CURTISS-WRIGHT MOVE

Canadian Curtiss-Wright Ltd. has moved its executive offices from Montreal to 287 Horner Ave., Toronto. Decision to move was taken two years earlier after a study. A sales and engineering office will be maintained in Montreal.

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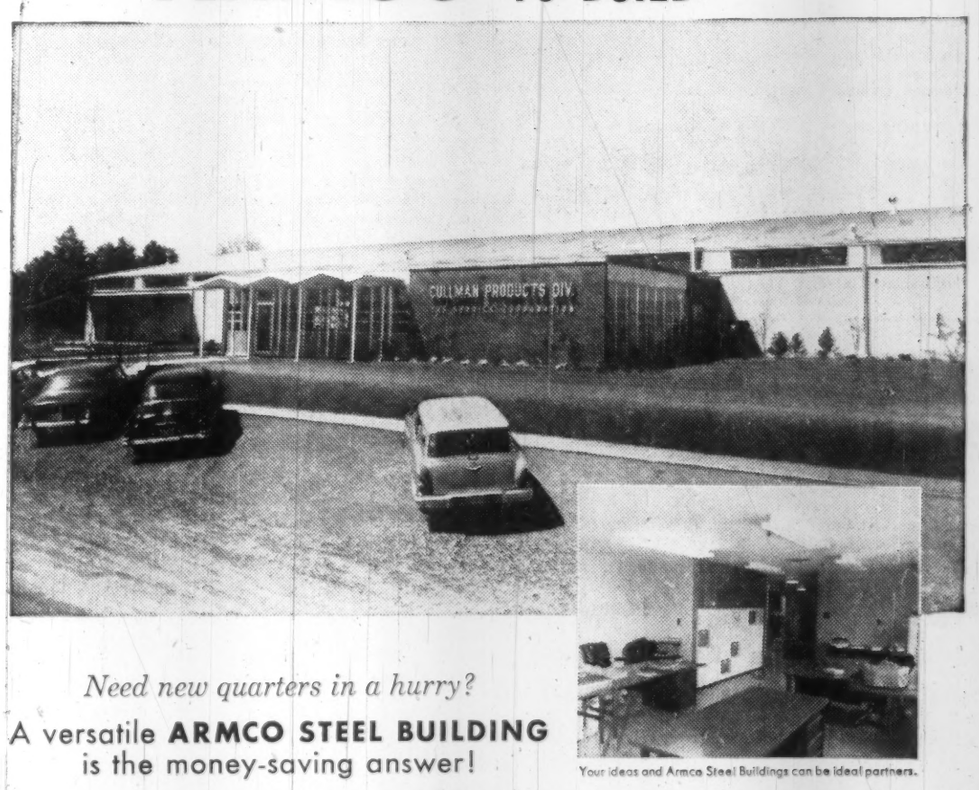

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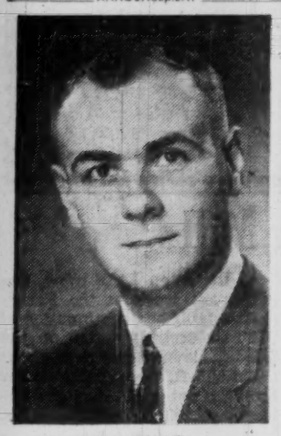

J. A. RAINER

Appointment of James A. Rainer to the newly-created post of district representative, Eastern Canada, pulp and paper sales, is announced by Orval C. Cook, vice-president, sales, Crown Zellerbach Canada Limited. Mr. Rainer established his headquarters in Toronto this month. A graduate of the University of British Columbia, he joined the pulp, paper, lumber and packaging products company in 1955. Later, he obtained his Master of Business Administration degree from the University of Washington. Mr. Rainer has handled much of the development of Crown Seal, first polyethylene breadwrap in Canada, which was introduced last September.

Letter from London

'Bovine' portrait of Churchill hidden from mortal eye, but the artist gets royal honor . . .

By ADELPHI

THAT SPLENDID statesman, R. G. Menzies, who might be styled as the perpetual Prime Minister of Australia, has turned up in London to attend the Commonwealth Prime Ministers' Conference.

His long years of premiership have guided Australia wisely into the future.

He told us at a gathering of kindred spirits that "Shakes" Morrison, now Lord Dunrossil, who was transplanted from Mr. Speaker at Westminster to Government House at Canberra, is enjoying great popularity.

It is understandable, as in Canada, that a citizen of the Dominion should be chosen as its first citizen, but there is also a traditional satisfaction when a citizen of the U. K. is drafted for the task.

I can assure you that Mr. Menzies' talk to British MPs on the South African crisis was wise and understanding.

* * *

IT IS NOT to be doubted that the popularity of Macmillan's administration continues to slump.

Understandably it would have been impossible for Macmillan to remain for ever at the summit, but also he is not seen so often in the Chamber.

There is no reason to believe that he is sulking, but I hear that he is seldom seen in the smoke room which is a miniature parliament itself except that there is no Hansard report.

* * *

IN THE current week, Duncan Sandys, who is Minister of Aviation, faced a crowded House in what might be called the Blue Streak Debate.

The government spokesman made it quite clear that Britain had no intention of abandoning her nuclear deterrent, but there were clear indications that the Labor Party was shifting toward the abandonment of an independent British nuclear policy.

When George Brown spoke from Socialist front bench he made it perfectly clear that he was speaking with the full approval of his party and its leader.

Sandys won the respect of both sides of the House when he admitted without equivocation that in his former capacity of Minister of Defence, he was responsible in a special degree for the decisions that were taken.

"I readily recognize," he shouted, "that I am accountable in a special degree."

This brought a murmur of approval from all sides, for there is nothing more admired at Westminster than when a minister admits a degree of error.

At the same time both the Tories and Socialists clearly gave the impression that it would have been much better if he had not made so many miscalculations.

Unhappily the storm could not be subdued by this demonstration of integrity under stress. The British love a good loser, but they respect a winner. The general verdict was that the Opposition came out of it badly and that Duncan Sandys had put a bad case well.

Absent from his seat below the gangway was Sir Winston Churchill, but one can understand why the old warrior was not present for the winding-up speeches.

Duncan Sandys and his ex-wife (Churchill's daughter) are divorced. In the circumstances the old warrior could hardly jeer or cheer.

Or perhaps Churchill's thoughts were on the Derby which he hopes to win.

* * *

ONE LAST WORD of Churchilliana and we shall move to lesser personalities.

You may remember some years ago that Graham Sutherland, the artist, was commissioned by the Lords and Commons of Parliament to paint a portrait of Sir Winston in honor of his 80th birthday.

In due course it was unveiled before the Peers and the MPs in Westminster Hall.

There before them was the portrait of a sullen, stupid countryman, lazily bovine and with lips drawn down at the corners.

Churchill made an ironic speech of thanks which would not have deceived a stage detective.

From that day to this the portrait has never been seen by mortal eye and there were rumors, perhaps born of imagination, that Churchill had cut off his own head — on canvas of course.

However, this week, Her Majesty the Queen, acting under the usual advisers, awarded the Order of Merit to Graham Sutherland.

So far there has been no growl from the old warrior.

* * *

THE CRIMINAL classes are to have a new set of values when it comes to the question of corporal punishment.

Lord Chief Justice Parker has just announced that he hoped in certain circumstances the Advisory Council on the Treatment of Offenders would recommend birching and caning (but not the "cat") for the under-21s after a court warning.

"I am against the 'cat'," he said, "because in the criminal world it gives the victims the status of hero and martyr. On the other hand the birch has an indignity which offends the spurious pride of the micreant."

* * *

HAVING OPENED this column with Mr. Menzies, let us close with him.

He believes that at the Commonwealth Ministers' Conference, about to take place in London, there should be private talks between the delegates.

Thus he and the South African representative would go into a huddle while Mr. Diefenbaker spread light on Mr. Nash's mind.

This is such an elemental improvement on the usual conference that I am delighted that Mr. Menzies has won the decision.

Thus when Dr. Louw, who is standing in for Dr. Verwoerd, the wounded South African Prime Minister, arrives he will be able to talk as man to man.

For reasons which are not quite clear, Mr. Nash takes the opposite view and is supported by Mr. Nehru, Dr. Nkrumah of Ghana and Tunku Abdul Rahman of Malaya.

There we must leave the delegates to their own devices, but let us hope that they will find time and the mood to discuss the one subject that matters at the moment — the solution of the South African racial problem on a basis of wisdom, tolerance and good faith.

CGRA TOUR

Hon. Fred M. Cass, president, Canadian Good Roads Association, will visit British Columbia, Alberta and Saskatchewan this month, accompanied by CGRA managing director, C. W. Gilchrist. Cass will hold discussions with highway ministers and other officials and attend meetings of CGRA committees in major centres. Itinerary: Vancouver and Victoria, May 9-11; Edmonton and Calgary, May 12-15; Regina, May 15-17; Winnipeg, May 17-19. Cass will represent CGRA at the annual conference of the Canadian Highway Safety Council in Vancouver this week.

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To be dated May 17, 1960 — To mature May 15, 1981

Trustee: The Royal Trust Company

In the opinion of our Counsel, these Debentures, Series A will be eligible as investments under Section 63(11)(h) of the Canadian and British Insurance Companies Act for companies registered under Part III of that Act.

Price: 100 and accrued interest

We, as principals, offer these Debentures, Series A and Class "A" Common Share Purchase Warrants, subject to prior sale and change in price if, as and when issued by The Alberta Gas Trunk Line Company Limited and accepted by us, subject to the approval of all legal matters on our behalf by Messrs. Chambers, Might, Saucier, Peacock, Jones, Black & Gain, Calgary, who will rely as to matters of title to the specifically charged premises on the opinion of Counsel for Trunk Line, Messrs. Howard, Bessemer, Moore, Dixon & Mackie, Calgary, to whose approval on behalf of Trunk Line all legal matters are subject. Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books without notice.

$15,000,000
(150,000 shares)
6¼% Cumulative Redeemable Preferred Shares Series A
(of the par value of $100 each)
(accompanied by Class "A" Common Share Purchase Warrants)

Transfer Agent and Registrar: Crown Trust Company

Price: $100 per share

We, as principals, offer these Preferred Shares Series A and Class "A" Common Share Purchase Warrants, subject to prior sale and change in price if, as and when issued by The Alberta Gas Trunk Line Company Limited and accepted by us, subject to the approval of all legal matters on our behalf by Messrs. Chambers, Might, Saucier, Peacock, Jones, Black & Gain, Calgary. All legal matters on behalf of Trunk Line will be subject to the approval of Messrs. Howard, Bessemer, Moore, Dixon & Mackie, Calgary. Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books without notice.

A copy of a prospectus relating to each issue will be promptly furnished upon request

Dominion Securities Corpn. Limited — Tanner Bros. Limited

Nesbitt, Thomson and Company, Limited — James Richardson & Sons — Wood, Gundy & Company Limited

McLeod, Young, Weir & Company Limited — Osler, Hammond & Nanton Limited — A. E. Ames & Co. Limited

Royal Securities Corporation Limited — Carlile & McCarthy Limited — W. C. Pitfield & Company, Limited

Midland Securities Corpn. Limited — Gairdner & Company Limited — Ringland, Meredith & Company Limited

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May, 1960

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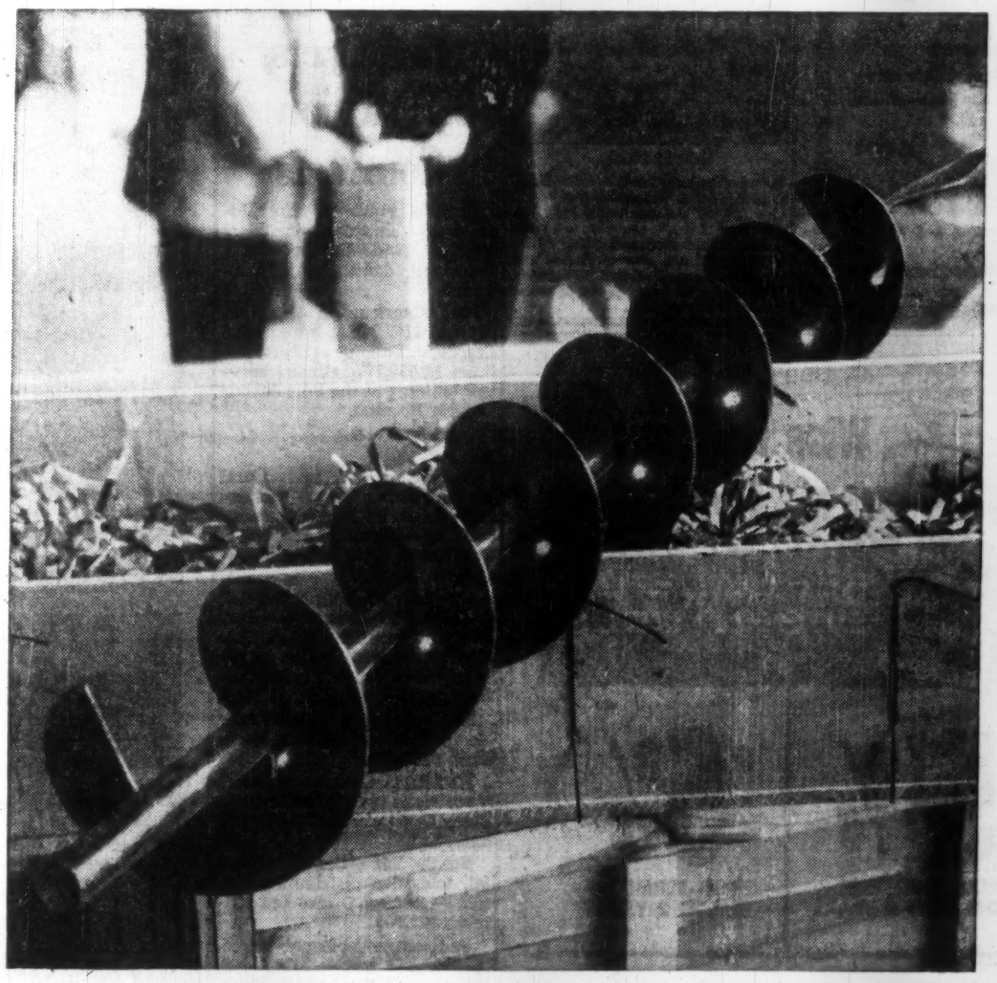

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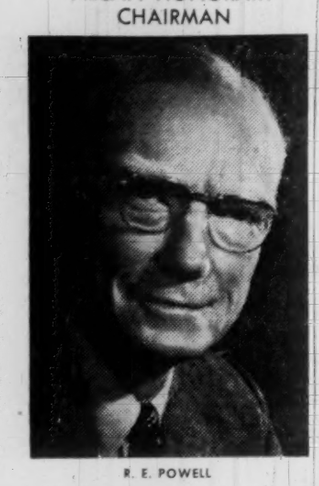
ANNOUNCEMENT

ALCAN HONORARY CHAIRMAN



R. E. POWELL

The appointment of R. E. Powell as Honorary Chairman, Aluminum Company of Canada, Limited, was announced recently by Nathanael V. Davis, president of Aluminium Limited. Mr. Powell, who was president of Alcan from 1937 to 1957, and has served 50 years in the aluminum industry, has relinquished the post of senior vice-president of Aluminium Limited but remains a director of both companies. Mr. Powell is Chancellor of McGill University.

Ask Better Deal On Export Credit

Exporters say they are losing out to foreign competition because of government policy on credit guarantees . . .

MONTREAL (Staff) — Canadian exporters are pressing hard for more extensive and flexible government - sponsored export credit guarantees.

In a brief to the federal government, the Canadian Exporters' Association says:

- **Increasingly**, other exporting nations are offering improved credit terms to importers. Canada has fallen behind.
- **The U. S.**, whose exporters already have the advantage of the active and liberal Export-Import Bank, is beginning an intensified drive to boost exports.
- **Canadian exporters** are unable to get guarantees for certain transactions under $250,000, either from the nation's government-owned Export Credit Insurance Corp. or from the banks.
- **Canada is having particular difficulty** in competing for relatively small orders of manufactured goods and also in underdeveloped nations, where other exporting nations offer longer terms of payment.

The association recommends that Canada set up an agency with facilities equal to those of the Export-Import Bank.

The Ex-Im Bank, it says, makes a point of guaranteeing small deals which ECIC wouldn't touch.

"We must be able to give wider and longer term credit to match our . . . competitors," said Exporters' Association president R. D. L. Kinsman.

The exporters claim that ECIC regulations are too restrictive, seem aimed more at the operation of a "profit-making insurance company," than at helping exporters.

"It appears to us that the corporation should consider taking more risks in less developed countries, where other supplying nations are doing so."

Another possible change:

ECIC could lower its Canadian content requirement from the usual 75%-80%. Many Canadian exporters find they must include more than 25% foreign content in export "packages" such as new plants.

The Exporters' Association lists a number of cases in which its members report disadvantage because of inability to meet credit terms offered by competing nations.

Examples quoted from members' letters:

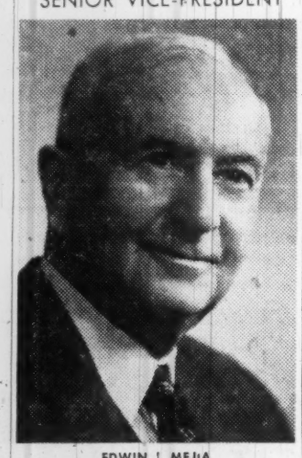
- **"We recently quoted to Uruguay** on a $125,000 deal, 15% to be paid on receipt of goods, 15% on delivery and the balance over three years semi-annually. These terms were to match those quoted by our Swiss, German, Italian and U. S. competitors.

"ECIC refused to issue the necessary guarantee because they say the amount is too small . . ."

- **"Unfortunately, our Italian and Swiss competitors** are prepared to insure. On a $60,000 offer of equipment, they are reported to be extending three to five-year terms, which we are unable to match."
- **". . . An offer of terms** can be more important than an offer of lower price or greater efficiency."
- **"We used to be one of ECIC's largest accounts** but during the past three years our business has slipped to just a fraction of what we were obtaining."

ANNOUNCEMENT

ALUMINIUM LIMITED SENIOR VICE-PRESIDENT



EDWIN J. MEJIA

The appointment of Edwin J. Mejia, Montreal, as a senior vice-president of Aluminium Limited was announced today by Nathanael V. Davis, president. Mr. Mejia is chief sales management officer of the company and has been a director and vice-president of Aluminium Limited since 1940. His sales career in the aluminum industry began in 1921.

Gutta Percha Plants Sold Asset Disposal Continues

Ayer Storage Ltd., which has acquired the **Gutta Percha & Rubber** real estate property in Toronto for an undisclosed price, plans to lease most of the plant's 415,000 sq. ft. of floor space.

The property will be managed by **S. E. Lyons & Son Ltd.**, the real estate firm that sold it for **Combined Enterprises Ltd.**, Gutta Percha's parent company.

The new owner expects to use only 15,000 sq. ft. for storage and intends to lease the rest for manufacturing and storage.

Property is located on six acres of land, some of which may be used in future for the construction of a new plant to suit an interested tenant, FP understands.

President M. O. Simpson Jr. of Combined Enterprises Ltd., told the annual meeting that further disposal of Gutta Percha assets and operations was in progress.

He expects the final proceeds will be less than the book value of Gutta Percha.

Gutta Percha's demise (FP, April 30) leaves its parent company with obligations totaling $1.9 million for pensions and severance pay to employees, Simpson said.

Company will carefully consider recommendations by union and employee representatives concerning some 30 "borderline cases" who may be faced with particular hardship as a result of the folding of Gutta Percha, he added.

Combined Enterprises' other subsidiaries were reported in good shape, and a 60c a share dividend is once more assured this year, he said.

Sun Strengthens Position Here

Despite a series of gasoline price wars in Canada, **Sun Oil Ltd.** ended 1959 with its earnings position considerably improved over 1958.

Contributing decisively to that gain were the savings realized from company's cost - reducing program.

By year-end, 31 new service stations had helped increase sales of company products slightly above the 1958 level, annual report of the parent firm **Sun Oil Co.** (U. S.) stated.

An additional 16 stations are currently being constructed and three are being rebuilt.

Crude run to stills at Sun's Sarnia refinery averaged 16,616 bbl. daily in 1959, a 10% gain over 1958 level.

To boost capacity, **Sun-Canadian Pipe Line Co.** added new pumping stations at Kerrwood and Paris, Ont. These result in an increase in capacity of 5,000 b/d to 30,000 b/d. Both stations are fully automated.

The parent company became owner of a 35% working interest and took over at mid-year (1959) as operator of the Blueberry properties in northeastern B.C. Here there is a market outlet, and gas is being sold.

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Sherritt Net Doubled, Plan New Mill

Brisk sales pace of copper, nickel and ammonium products helped **Sherritt Gordon Mines** double its first-quarter profit.

Estimated net for the period was $962,212 or 8.5c a share, ahead from $459,498.

Other factors behind the improvement included increased revenue from treatment of custom concentrates and lower costs. Of total nickel output of 8.4 million lb., about 20% came from custom concentrates.

At the recent annual meeting, President E. L. Brown outlined new projects planned by the company:

- **Construction** of rolling mill at Fort Saskatchewan to test, on a pilot plant basis, techniques developed for rolling of metal powders.
- **Investigation** of market possibilities for chemicals that the company is in a favorable position to produce. This follows recent doubling of ammonia plant facilities.

At the Lynn Lake mine, development work at the Farley shaft established continuation of the new orebody found on the 2,000-ft. level upward to about the 1,550-ft. level. The lower limit has not yet been traced below the 2,100-ft. horizon.

Here are the first-quarter financial results:

	First Quarter 1960	1959
	$	$
Net sales	6,164,107	5,390,808
Costs	4,257,548	3,974,505
Interest expense	162,968	173,083
Write-offs	781,379	783,723
Net profit	962,212	459,498
Per share	9c	4c

Ontario Lets $3.7 Million In Contracts

Ontario Public Works Department awarded contracts totaling $3,755,410 in March and April. Among major contracts:

Bird Construction Co., Port Arthur, $749,773, Lakehead Teachers' College at Port Arthur; $2,550,777, clinical services building at the Port Arthur Ontario Hospital.

Other contracts:

March:

Ridgetown, agricultural school, ventilation and refrigeration work at field husbandry building — **Bennett & Wright Contractors Ltd.**, London, $19,554.

London, Ontario Hospital, coal handling system — **Jeffrey Mfg. Co.**, Toronto, $30,250. Outside heating distribution installation—**Bennett & Wright Contractors Ltd.**, London, $32,438.

Burlington, toll plaza—**James Kemp Construction Ltd.**, Hamilton, $183,228.

Hamilton, Ontario Hospital, renovations to Orchard House—**Tidey Construction Co.**, Hamilton, $35,200.

Smiths Falls, Ontario Hospital, television distribution system — **Bedard-Girard Ltd.**, Ottawa, $13,200.

Sudbury, court house, terrazzo, tile and marble work — **A. Buttazzoni & Son Ltd.**, Sudbury, $27,673.

Hamilton, Ontario Hospital, elevator building, tunnel, etc., main building—**Tidey Construction Co.**, Hamilton, $17,800.

Peterborough, teachers' college, exterior and interior painting—**Eric Papesch**, Peterborough, $6,442.

April:

London, Ontario Hospital, sanitary trunk sewer—**Graham & Graham Ltd.**, London, $38,510.

Burtch, industrial farm, sewage disposal plant—**Schultz Construction Ltd.**, Brantford, $41,000.

Cobourg, Ontario Hospital, roofing work, main and auditorium buildings — **H. J. Gascoigne Ltd.**, Oshawa, $9,565.

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Fortier Told to Strengthen Jobless Insurance Regulations

OTTAWA (Staff) — The effort to strengthen the enforcement of unemployment insurance regulations will get new impetus with the appointment of a new chief commissioner.

Laval Fortier, who has been deputy minister of Citizenship and Immigration ever since that department was founded, is succeeding J. G. Bisson who has been appointed Consul-General in New Orleans.

Bisson has been chief commissioner since 1946.

Fortier is a World War II lieutenant-colonel and an OBE. He was educated in Quebec, took a law degree at Laval and after post-graduate study at Columbia he practised law in Quebec City.

He has run the Department of Citizenship and Immigration for 10 years, under Walter Harris, J. W. Pickersgill and Mrs. Fairclough as ministers. He is 56.

With his colleagues C. A. L. Murchison, the commissioner representing employers, and A. F. MacArthur, from the labor side, he will have every support from the government, it is said, to tighten up the enforcement of regulations and eliminate fraudulent claimants for insurance benefits.

It is acknowledged in the ministry as well as in the ranks of officials that the fund is being abused.

If Fortier can come up with methods to improve the administration, his recommendations will be welcomed.

Administrator G. F. Davidson Moves Over to Immigration

In Mr. Fortier's place, Immigration Department gets one of the senior deputy minsters by transfer from the Department of Health and Welfare.

George F. Davidson, who has been in charge of the welfare side of this double-barrelled department since 1944, has instituted all the postwar welfare programs, including family allowances, various kinds of provincial grants, and old age pensions.

The administrative machine that he established and largely mechanized has generally been accepted as a highly efficient and economical part of government.

Having established it, and got it running smoothly, it was felt that his talents were being underemployed.

The federal welfare program has become largely a matter of oiling the machine and letting Parliament decide how large each monthly cheque should be.

Now 51, Davidson — with a BA from UBC and an MA and PhD from Harvard — is already third senior of the deputy ministers.

The only others with longer service are David Sim, Deputy Minister of National Revenue for Customs and Excise, and Norman Robertson, under-Secretary of State for External Affairs.

He first came to Ottawa as executive director of the Canadian Welfare Council in 1942, after serving as director of social welfare for the provincial government of British Columbia. The government snatched him toward the end of 1944.

Like Fortier, at UIC, he has the chance to look over Canada's whole immigration set-up with a new eye and he is the right man to do it, with his proved mastery of administration and his experience in social welfare.

Miller Leaves Defence Dept. To be Top Chief of Staff

At the height of the national controversy about North American defence plans, "Mr." Frank Miller gets back into uniform on June 1 to become Canada's top officer of the armed forces.

Nearly five years ago, when Frank Miller put his uniform away and got into civvies, he was an Air Vice Marshal serving in one of the senior posts at SHAPE — Supreme Headquarters Allied Powers in Europe.

He came back to Ottawa as a plain "Mr." to succeed C. M. Drury (formerly brigadier) who was called back to Montreal to manage his family business **(Provincial Transport Co.)** after seeing the National Defence Department through its most difficult stop-and-go years — the pre-Korean stop and the post-Korean go.

By choosing Miller to succeed Gen. Charles Foulkes as Chairman, Chiefs of Staff, the government has assured itself of another officer who combines the skill and experience of his service with a broad understanding of political and financial matters.

Foulkes has been described as being politician (or perhaps statesman) quite as much as soldier.

Miller will still have nearly five years' experience as deputy minister behind him and will be just as well able to temper the wind of strict military advice to the shorn politicians.

A couple of months later, the Royal Canadian Navy, now celebrating its 50th anniversary, will get a new Chief of Staff. Vice-Admiral de Wolf retires as Chief of Naval Staff, to be succeeded by Rear-Admiral Herbert Rayner (to become Vice-Admiral on appointment).

Rayner is Flag Officer, Pacific Coast. He has had headquarters experience in tri-service posts, commanded HMCS Magnificent as his last sea command, and is known in Ottawa as a strict, devoted and thoughtful officer.

FPC Urged To Watch Gas Prices

Prospects for final U. S. government approval of large-scale imports of Canadian gas into the Pacific market area were brighter than ever this week.

A U. S. Federal Power Commission examiner recommended that the three U. S. companies involved should be permitted to import the Canadian natural gas.

But at the same time the FPC examiner voiced a disturbing note.

He warned FPC against the latent danger of unregulated Canadian gas prices.

He recommended that the importing U. S. companies be required to supply FPC with annual reports on all aspects of the Canadian gas price situation.

Under present long-term gas purchase contracts between the transmission companies and the gas producers gas prices have been set out — with their escalation clauses — for the next 20 years.

But under the contract terms the producers can ask for price renegotiation every fifth year.

It is probably to protect against the possibility of price increases growing out of such renegotiations that the examiner has recommended strong supervisory action on the part of FPC.

The assumption is that the transmission firm would in turn seek to pass the increase on to the U. S. distributing firm and this company in turn apply for rate increases to its U. S. customers.

In the recent gas export hearings before the National Energy Board at Ottawa a Calgary City brief urged that some form of gas price control be applied at wellhead.

But Ottawa has avoided any such action. Alberta Premier Manning was quick to claim that any such regulatory control, if it ever was proved desirable, could only be taken by the provincial government.

"Examiner Weston's favorable recommendation (on gas export) is subject to approval by the full FPC but there was no opposition to the Alberta-California project at public hearings held in Washington last autumn," Charles P. Smith, vice-president and manager of **Alberta & Southern Gas Co.,** stated this week in Calgary.

"We are ready to go ahead with construction as soon as we receive final word from the FPC and from the California Public Utilities Commission," Smith said.

Acquisition of rights of way on both sides of the border is well under way.

Canadian producers are moving ahead with field development and construction plans for the processing plants required in the **Alberta Foothills** fields.

Alberta & Southern is the Calgary-based firm that is to purchase gas for export to California.

Polymer to Help Design, Build Mexico's First Rubber Plant

Polymer Corp., Canada's producer of synthetic rubber, has signed an agreement with **Petroleos Mexicanos** to give technical assistance and advice for the design and construction in Mexico of a plant to produce general purpose copolymer rubbers.

Petroleos Mexicanos is an agency of the Mexican government, which has been operating as a fully integrated oil company since 1938.

Recently it has been expanding into the petrochemical field.

"Eighteen years of experience in process engineering, design, construction and operation of synthetic rubber facilities has provided Polymer personnel with the knowledge and skill to make a significant contribution to the new plant in Mexico," Polymer president and managing director E. R. Rowzee says.

In addition to design and construction assistance, Polymer will provide technical and production training in Sarnia, Ont., to some Petroleos Mexicanos employees.

Polymer will also assist in start-up operations of the new Mexican plant.

GARDEN TOOLS

Black and Decker Manufacturing Co., Brockville, Ont., has a new line of lawn and garden power tools that includes a lawn trimmer and hedge trimmer, both operating on 115-volt house current.

ONE VIEW OF THE MARKET

Here Are Stocks Traded By Dominion Life in 1959

Canadian life insurance companies have an investment of $106 million in Canadian stocks. As a service to its readers, **FP** *presents here the first of a series reporting on the holdings of individual companies, as well as changes in their portfolios of Canadian preferred and common stocks last year.*

Dominion Life Assurance Co., Waterloo, Ont., in 1959 reduced its holdings of preferred stocks to 1.8% from 2.0% of total invested assets. Common stock holdings were maintained at 0.7%. Stocks were carried on its balance sheet at $927,036 at Dec. 31, 1959 ($1,181,819 a year earlier).

During the year, in its holdings of Canadian stocks, Dominion Life:

- Liquidated five preferred issues and reduced one.
- Purchased two new preferred stocks, **Hahn Brass Ltd.** 5% **P. L. Robertson Manufacturing** 6%.
- Eliminated holdings of two issues of warrants and reduced two common stocks.
- Added **Nova Scotia Light & Power** common and warrants of **Avalon Telephone Co.** to its portfolio.

Here are company's holdings of Canadian preferred and common stocks at Dec. 31, 1959, together with changes from the previous year-end:

	Shares held Dec. 31 1959	Change since Dec. 31 1958
Preferred:		
Acadia-Atlantic Sugar, 5%		—200
Alumi m Co. of Can., 4½%	600	—1,400
Anglo-Can. P. & P., $2.80		—1,225
Anglo-Can. Tel., 4½%		—1,000
B.C. Electric, 4¾%	1,000	....
B.C. Telephone, 4¾%	500	....
Do. 4¾%	500	....
Brooke Bnd. Can. (1959), $4.16	735	
C. Brit. Aluminium		—1,500
Canadian Celanese, $1.75	1,000	....
Canadian Utilities, 5%	250	....
Fittings Ltd., 60c	2,000	....
Gordon M'ky. & Stores, 50c	2,250	....
Hahn Brass, 80c		—3,000
Do. 5%	3,000	+3,000
Hamilton Cotton, 5%	500	....
Hughes-Owens, $1.60	1,000	....
National Grocers, $1.50	1,000	....
N.S. Light & Power, 4½%	650	....
P. L. Robertson Man., 6%	2,500	+2,500
H. Simon & Sons, 5%	175	....
United Corps., $1.50	1,500	....
Western Grocers, $1.40	1,000	....
Common:		
Abitibi Power & Paper	4,200	....
Avalon Telephone, warr.	4,000	+4,000
B. A. Oil	5,000	—500
C. Br. Alum. warr		—3,500
Dm. Electrohome Ind., warr.		—625
Hudson's Bay Co.	1,125	....
Hudson's Bay Oil & Gas	100	....
Husky Oil & Refining, warr.	400	....
Interprovincial Pipe Line	1,000	....
Jockey Club, warr.	4,500	....
North Star Oil, warr.	1,250	....
N.S. Light & Power	500	+300
Quebec Natural Gas	856	....
Saskatoon Pipe Line	400	....
Sincennes-McNaughton Line	250	....
Steinberg's Ltd.	1,000	....
Trans-Canada Pipe Lines	1,865	—2,300
Waterloo Trust & Sav.	1,250	....

Company's invested assets at the year-end consisted of 43.2% bonds, 44.0% mortgages, 6.3% policy loans, 2.5% stocks, 3.1% real estate and 0.9% other. An analysis of invested assets at the end of each of the last four years shows as follows:

Analysis of Invested Assets

	1959 %	1958 %	1957 %	1956 %
Bonds:				
Government	10.9	11.2	11.0	12.2
Municipal	5.0	4.8	4.7	4.9
Other	27.3	28.3	29.1	28.7
TOTAL	43.2	44.3	44.8	45.8
Mortgages:				
Farm	0.1	0.1	0.1	0.1
Urban	43.9	43.2	42.2	41.7
TOTAL	44.0	43.3	42.3	41.8
Policy Loans	6.3	5.9	5.6	5.1
Stocks				
(a) Preferred	1.8	2.0	2.0	2.2
(b) Common	0.7	0.7	1.0	1.0
TOTAL	2.5	2.7	3.0	3.2
Real Estate	3.1	2.8	3.2	3.3
Other	0.9	1.0	1.1	0.8
Grand Total	100.0	100.0	100.0	100.0

Engineer Firm To Survey 'Water Steal'

Special Correspondence

CHICAGO — A four-month study to forecast the consequences of decreasing the amount of water diverted at Chicago from Lake Michigan into the Illinois Waterway will be made by an engineering firm retained by the Chicago Association of Commerce and Industry.

Frederic R. Harris Inc., consulting engineers, will analyze the consequences of a decrease in water diversion on navigation, commerce and industry in Chicago, Illinois and the Mississippi Valley.

The study was prompted by a suit filed with the U. S. Supreme Court by six states to require a reduction in diversion or the return to Lake Michigan of treated sewage water.

The Association says this would mean enormous losses to commerce and industry in Chicago and the Mississippi Valley.

Legislation to increase the diversion — the Chicago "water steal" — has been stalled in the U. S. Senate (**FP,** April 9).

Canada protested any further diversion on the grounds it would lower the level of the Great Lakes, reducing the loads ships could carry and the water available for downstream generating stations.

Krugers Plan Dutch Plant

MONTREAL (Staff) — A Canadian-owned aluminum fabrication plant will open in Holland this summer to try to win a share of European Common Market business.

It is **Aluminium Extruders (Holland) N.V.,** a part of the Montreal-based Kruger organization.

Kruger has three Canadian aluminum fabricating operations. The Dutch factory will be its first overseas project in this field.

With an opening date set for not later than Sept. 1, the new plant is at Harderwijk. It has an area of about 25,000 sq. ft. and should employ 300 when fully operational.

Other Kruger interests include fine paper, newsprint, corrugated and tissue paper production.

'Hitch' Slows Gradiometer Sales Plans

A technical hitch has held up plans of **'Lundberg Explorations Ltd.,** Toronto, to market its airborne gravity gradiometer (**FP,** Jan. 16).

"We had planned to start a real sales program, but now we will have to sit down and catch our breath," said H. T. Lundberg.

The firm last week discovered that high frequency waves are interfering with the instrument's measurements of the vertical gradient of gravity.

Gravity measurements are considered useful in:

- **The search for oil, gas and minerals.**
- **The determination of the true shape** of the planet earth necessary for the navigation of nuclear submarines, intercontinental ballistic missiles and rockets.

Thus aerial survey firms are keen to have such an instrument and some are busy with research programs.

Lundberg plans to continue its research to remove the "bugs" from its instrument.

Pet Milk Buys Cheese Firm

The business, inventory and cheese factory at Thamesford, Ont., of **Cherry Hill Cheese Co.** have been acquired by **Pet Milk Co. (Canada)** for an undisclosed price.

The company was purchased from **Brantford Produce Co.**

The business will be incorporated as an additional line into Pet Milk's expanding operations, President S. P. Harter said.

Company's aged Canadian cheddar cheese is sold in sizeable volume in Canada and many export markets. Through Pet Milk's U. S. organization, it is expected volume will increase there.

Cherry Hill packaging, marketing and administrative operations will be taken over in Pet headquarters in Toronto under the direction of W. T. Murchie, vice-president and general manager of Pet Milk in Canada.

Pet's sales organization will handle marketing to chain stores and wholesalers, while the Brantford organization will continue distribution to independent grocers.

HEADS BOTTLERS

From Our Own Correspondent

FREDERICTON — Harvey Murray, Sussex, has been elected president at Canadian Bottlers of Carbonated Beverages' Association. Harry Woolley, Toronto, continues as treasurer and Ross Tuckey, president Ontario regional association, was named vice-president. Murray is vice-president of **Sussex Ginger Ale Ltd.**

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Dress Firms Plan New Pitch to U. K.

Montreal garment makers plan a second drive for this big export market . . .

MONTREAL (Staff) — Spurred by last year's success, another group of Montreal garment makers is planning a new sales assault on the big U. K. clothing market.

Early next month, nine Montreal-area manufacturers will set up shop in London's Londoner Hotel to show off Canadian-made dresses, blouses, sportswear and maternity outfits to U. K. buyers.

Dresses to be shown retail from $15 to $55 and range from junior miss to elegant cocktail fashions.

Manufacturers and Montreal Dress & Sportswear Manufacturers' Guild, which is organizing the trip, are confident the venture will pay off.

The first Canadian sally into the U. K. market — organized on a crash basis last November, three weeks after the U. K. selling season got under way — resulted in orders of over $200,000 (**FP**, Dec. 19).

The garment makers going to the U. K. next month expect to gain more than orders for garments shown. They also stand to benefit from the experience of selling in the U. K. and hope to make valuable contacts for future expeditions.

The first Canadian postwar venture into the U. K. garment market was last year after the U. K. lifted import restrictions on textiles and dresses from hard-currency countries.

From all accounts it was an outstanding success:

- **Canadian makers sold over 40,000 garments** worth more than $200,000 wholesale. Eight garment manufacturers participated.

"The firms went over figuring that they probably wouldn't make expenses. In fact, they made a profit," an official of the Dress Guild explains.

- **Two of the original eight** garment makers have established year-round representation in the U. K. Though this venture is still in the formative stages, prospects are encouraging, it is reported.
- **Heartened by initial success,** four other makers have secured joint representation in continental Europe and will show selected Canadian lines in West Germany, Holland and Belgium in late June.
- **One, 80-store, U. K. retail chain** was so impressed with Canadian wares on display at the first show that this year it sent buyers to Montreal as well as New York. As a result, substantial orders were placed with Canadian firms.

Only one member of the sales group going to the U. K. next month participated in the show last year. There are two reasons for this.

- **A slightly more expensive line** of dresses is being shown in the forthcoming show.
- **Dresses to be shown next month** comprise fall fashion lines, unlike the November show which dealt with spring wares.

Many of those in the first show, specializing in low-priced fashions, do not produce extensive fall lines.

Canadian garment makers hope they eventually will be able to develop export markets in the U. K. ranging to $3 million annually.

In the 1930s, the industry notes, Canada did a roaring $5.5 million export business in wearing apparel, with the U. K. the leading customer.

Why have Canadian-made garments met with success in the U. K. so far?

"Because of styling, quality and, to a limited extent price," a Dress Guild official explains.

He says Canadian manufacturers are not trying to compete primarily with the U. K. dress industry. Rather, Canadians are doing battle with West Germany, Italy and the U. S. for that portion of the U. K. market that is taken up by imports.

Generally speaking, the industry feels that quality of workmanship in Canadian garments is superior to that in comparable U. S. products. Our styling, Canadian garment makers say, is as good, if not better, than that from the U. S.

From the point-of-view of import duties, Canadian producers have the edge over U. S. competition, in some lines.

Canadian-made garments entirely of cotton or wool enter the U. K. duty-free while U. S. apparel pays 17½% to 25% and 20% to 25% respectively.

For dresses and garments of synthetic fibres or made of silk, Canadian makers are on a par with the U. S. paying duty ranging from 27½% to 30%.

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New President For Brown Co.

MONTREAL (Staff) — New president of **Brown Co.** — U. S. pulp and paper firm — is Leonard A. Pierce Jr., a vice-president of **Penobscot Chemical Fibre Co.** of Maine.

The presidency has been vacant since last fall, when A. E. H. Fair resigned.

Brown some years ago shed its large Canadian pulp and paper interests.

Recently it reduced Canadian representation on the board of directors to one man, C. P. McTague of Toronto.

This reflects sale of large blocks of Canadian-held stock to U. S. interests.

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ANNOUNCING

Important appointments in Canadian Industry, Finance, Business and Government

Acme Steel Co. of Canada Ltd. (Toronto) — B. H. Gelgoot, vice-president, marketing and director; Michael Burtyk, director.
Aluminium Ltd. (Montreal)—Edwin J. Mejia, senior vice-president; R. E. Powell, honorary chairman, **Aluminum Company of Canada.**
Bell Telephone Co. of Canada (Montreal) — Herbert H. Lank, member of executive committee and director.
Bird Archer Co. (Montreal) — J. E. Koyl and G. B. Harden, directors.
Broulan Reef Mines Ltd. (Toronto) —H. F. Brownbill, director.
Canadian Aviation Electronics Ltd. (Montreal) — Benjamin J. Kaganov, executive vice-president.
Canadian Bank of Commerce (Toronto)—R. L. Clute, senior agent, New York.
Canadian Car Co. Ltd. (Montreal)—C. F. Brown, treasurer and comptroller.
Canadian Delhi Oil Ltd. (Calgary) C. W. Murchison, chairman; Frank A. Schultz, president; Smiley Raborn Jr., executive vice-president and managing director.
Canadian General Electric Co. (Toronto)—F. M. Hooper, manager, finance.
Canadian Marconi Co. (Montreal)—C. E. Belanger, director.
Canadian Petrofina Ltd. (Montreal) —Frank M. Covert, director.
Canadian Surety Co. (Toronto) — Frank N. Youngman, director.
Ciment Fondu Lafarge (Canada) Ltd. (Montreal)—P. H. Desrosiers, chairman; E. F. Vincent, president.
Crown Trust Co. (Toronto)—Howard A. Austin, director.
Dominion Rubber Co. (Montreal) — C. C. Thackray, chairman; M. F. Anderson, president.
Dominion Structural Steel Ltd. Montreal) — J. Brown, district construction manager; C. Coulthard, district manager, purchasing; R. A. Couture, district finance manager; D. D. Currie, district manager, mechanical products, technical services; A. J. M. Humphries, district manager, industrial relations; C. McCredie, district production manager; H. J. T. Patterson, district sales manager.
Eastern Power Devices Ltd. (Toronto)—R. R. Farrell, president.
Ewbank & Partners (Canada) Ltd. (Toronto) — L. W. Pillar and H. W. Tate, principals.
Federal Commerce and Navigation Co. (Montreal) — Edwin S. Cosford, managing director.
France Packing of Canada Ltd. (Brantford, Ont.) — James E. Thomas, manager; W. H. Jones, eastern representative; W. E. Griffith, western representative.
Ganong Bros. Ltd. (St. Stephen, N.B.) — Jack P. Ensor, director; John J. Gorham, general sales manager.
Imperial Oil (Toronto)—J. R. White, chairman; W. O. Twaits, president; Vernon Taylor and L. D. Fraser, vice-presidents.
International Nickel Co. of Canada (Copper Cliff, Ont.) — Henry S. Wingate, chairman and chief officer; J. Roy Gordon, president; Ralph D. Parker, senior vice-president; Dr. John F. Thompson, honorary chairman; Ralph H. Waddington, James C. Parlee, Richard A. Cabell and Albert P. Gagnebin, vice-presidents; Paul Queneau, technical assistant to the president; John A. Marsh, president, **Huntington Alloy Products.**
Liquifuels Ltd. (Toronto) — John H. Taylor, president.
Might Directories Ltd. (Toronto) — D. A. Vokes and E. R. L. Tucker, directors.
Robert Mitchell Co. (Montreal) — J. D. Coughlan, manager, manufacturing.
Montreal Locomotive Works Ltd. (Montreal) — William F. Lewis, president; Henry Valle, vice-president, marketing.
Mutual Life of Canada (Waterloo, Ont.)—James G. Humphries, manager, estate planning service, British Columbia.
Pacific Western Airlines (Vancouver Airport) — W. Morgan Keddie, director of maintenance and engineering.
Page-Hersey Tubes Ltd. (Toronto) —J. D. Breithaupt, district manager in charge of sales, Alberta.
Porter-Cable Machine Co. (Syracuse, N.Y.)—R. R. Goewey, treasurer and chief financial officer; William Luss, assistant controller. Mr. Goewey is also a director of **Porter-Cable Power Tools (Canada) Ltd.** and **Rototiller Inc.**
Royal Bank of Canada (Montreal) —M. M. Walter, chairman and president; K. M. Sedgewick, director.
Royal Exchange Assurance and Atlas Assurance Co. (Montreal) —James T. Buttery, manager for Canada; Donald J. Dunlop, associate manager for Canada; James W. Henderson, deputy manager for Canada.
St. Lawrence Corp. (Montreal) — William H. Palm, executive vice-president and director; Carl M. Fellows, director. Mr. Fellows is also executive vice-president, **Hinde and Dauch Ltd.**
Seiberling Rubber Co. of Canada Ltd. (Toronto)—Emanuel Paquet, director of sales, Quebec eastern division.
J. Hungerford Smith Co. (Don Mills, Ont.)—Eric A. Olds, assistant treasurer and comptroller.
Standard Modern Tool (Toronto) — R. A. Irwin and F. C. Goodman, directors.
Steel Co. of Canada (Hamilton) — Lee T. Craig and Harold M. Griffith, directors; H. W. Furness, manager product sales, eastern division.
Sun Oil Co. (Toronto) — F. G. Crosby, vice-president.
Swift Canadian Co. (Toronto) — F. W. Jeffries, director.
West Canadian Oil & Gas Ltd. (Calgary)—F. R. Dykstra, chief geologist.
A. R. Williams Machinery Western Ltd. and Pacific Tractor & Equipment Ltd. (Vancouver) — O. H. Bell, president; B. F. Macaulay, vice-president.

Bell Profit Rises by 10% Dips per Share

MONTREAL (Staff) — First quarter net profit of **Bell Telephone Co. of Canada** rose 10.3% to $12,259,086 ($11,118,207 in first quarter 1959), equal to 58c (61c) per share.

Revenues were 8.8% higher, and expenses were up 7.5%, President T. W. Eadie says.

"We added 41,204 telephones (in the first three months of 1960), slightly more than in the first quarter of 1959, and our customers made an average of 6.1% more long-distance calls," he reports.

Bell installed 44,000 colored telephones, almost double the 23,000 in the first quarter last year.

Direct distance dialing was introduced in Montreal March 6. Company's customers are using it on more than 95% of all calls that can be dialed direct.

Here are first quarter results in detail (also see p. 66):

First quarter:	1960	1959
	$	$
Total op. rev.	96,744,691	88,927,589
Less:		
Total op. exp.	66,342,866	61,730,049
Income taxes	10,777,000	9,641,000
Other taxes	4,242,000	3,678,000
Add: Other income	2,056,586	1,836,689
Less: Fixed charges	5,180,325	4,597,022
Net profit	12,259,086	11,118,207

Electrohome Sales Better

Sales of **Dominion Electrohome Industries,** Kitchener, Ont., so far in 1960 have been slightly better than a year ago, President C. A. Pollock told the annual meeting.

"While it is still too early to know what the current year will hold so far as profits are concerned, lower profit trends of last year appear to have been reversed," he said.

"If sales continue to hold up by the end of the third quarter, profits should be equal to or better than last year."

The last quarter is traditionally company's best selling period.

Net earnings in 1959 amounted to $381,794 (91c per share).

An additional 55,000 sq. ft. of production space has been leased for the Deilcraft division. New machinery and between 80 and 100 new employees will be required in the new plant.

Company is negotiating for purchase of $200,000 of new equipment which, it is expected, will enable Deilcraft to meet the August deadline for start of production in its new quarters, Mr. Pollock said.

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(Vice President-Manufacturing within two years)

Our client, a well-established and progressive furniture manufacturer in southwestern Ontario, is seeking a young executive (29 to 32 years approximately) to succeed the Vice President-Manufacturing because of accelerated retirement. Salary $7,500 to start. Salary range will be increased substantially when full responsibility can be assumed.
The position requires a knowledge of design and product development, work methods and measurement, production control, personnel administration, job analysis and evaluation, budgetting and costing.
The applicant should be a graduate in Mechanical Engineering or Engineering and Business, with prior experience in manufacturing supervision and should have potential for the executive post mentioned within two years.
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Planning Board Proposed For Northwestern Region

Special Correspondence

GRANDE PRAIRIE, Alta. — A joint development and planning board for the northwest was proposed here at a Northwest Resources Conference.

The agency, proposed by a planning professor from the University of British Columbia, would serve the northwest part of Alberta, northeastern B. C., the southwestern portion of the Northwest Territories, and the Yukon Territory.

The idea is the brainchild of Ira Robinson, associate professor of planning at UBC.

Some of its functions:

- **Help** form policies of the governments involved.
- **Prepare** regional development plans.
- **Co-ordinate** activities in the region.
- **Plan and put into effect** a program of research and experimentation.

This program would include:

- **Inventory** of resources.
- **Research** and testing of possible uses of resources.
- **Studies** of industrial markets, power facilities and costs.
- **Promotion** to industry and the public.

Robinson said that to make up such a board, the full co-operation of both industry and governments was essential.

It was not a job, he told a questioner, that could be done by individual Chambers of Commerce, or by an association of similar groups.

Of necessity, government would have a stake in it, since people and land and resources under their respective jurisdictions would be involved.

Best chance for the northwest, said Prof. Robinson, lay in the development of industrial complexes, similar in principle to that recently developed at Annacis Island in B. C.

Complexes using three groups of resources — mineral, petrochemical and wood — were the most likely, he said.

Formation of a development and planning board, he said, plus the closeness of resources and transportation, were factors in the northwest that tended to offset the trend for industry to develop in already industrialized areas.

Working against the northwest region were risks and high costs not encountered in established areas.

Close to 150 delegates came to the convention from B. C. and Alberta. It was the first such gathering held in the northwest area, and was sponsored by the Grande Prairie Chamber of Commerce.

CAREERS *This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer*

EMPLOYMENT WANTED

ARMY OFFICER
Retires May, age 39, 21 years service. Experience in food, fuel and petroleum supply, transportation, food service, command and personnel management and training. Served in executive staff appointments senior level both materiel and personnel fields ten years. Personable, intelligent, energetic, mature. Desires challenging executive position. Willing to relocate and available now.
BOX 591, THE FINANCIAL POST, TORONTO

MANAGER MANUFACTURING ENGINEERING
18 Years Automotive Experience
Seeks responsible position in management engineering or production in automotive supply or sheet metal plant. Had charge of processing, plant layout, material handling, time study, industrial training, and allocation and procurement of tooling and equipment. Specializing in cost reduction programs.
BOX 605, THE FINANCIAL POST, TORONTO

SALES MANAGER
Age 40, wishes challenging position with small or large Company. Extensive experience in aluminum field with full responsibilities in administration, distribution of products, discounts and incentive plans as well as marketing and advertising. Excellent reason for wishing change. Relocation no problem.
BOX 610, THE FINANCIAL POST, TORONTO

SALES REPRESENTATIVE
Available for West Coast. Professional engineer, background and experience in technical products and engineered equipment. Available to handle sales representation to secondary and primary industry. Many years widely established western contacts in all industries. In Toronto for discussions for two weeks.
BOX 612, THE FINANCIAL POST, TORONTO

SALES EXECUTIVE AVAILABLE
15 years as sales manager with personnel, administrative and executive responsibilities. Proven record in creative selling plus supervision and training of sales organization. Age 45. Wish to find new and better opportunity for increased earnings with prospects for advancement. Western Canada preferred.
Box 586, The Financial Post, Toronto

COMPTROLLER
Chartered Accountant, age 31, presently employed as Comptroller by medium sized company wishes to relocate with progressive organization in or around Toronto, in similar capacity.
Reply Box 604, The Financial Post, Toronto

P.ENG. M.B.A.
Mechanical engineer graduate of Harvard Business School, with 6 years successful senior sales engineering experience, interested in sales management. Résumé on request.
Box 600, The Financial Post, Toronto

YOUNG EXECUTIVE
Age 34, background of management and financial positions. Currently General Manager of a medium-sized company. Prefer position as assistant to General Manager or Senior Executive of growing company. Management tested by J. B. Fraser and Associates.
Box 614, The Financial Post, Toronto

AD EXPERIENCE WANT CHANGE
Advertising executive with 11 years experience in advertising and sales seeks position with national advertiser as advertising manager. Presently account executive with advertising agency. Let's talk. Send confidential replies to:
Box 588, The Financial Post

University
student, 2nd year honours physics. Former air force officer, desires permanent employment with future or good summer job. Age 24, single. Considerable engineering, surveying and pipeline experience. Commercial pilots licence, airforce trained. Prefer Toronto or vicinity but free to travel anywhere. Can obtain instrument and twin engine rating if required. Will answer all communications. Available immediately.
Box 606, The Financial Post, Toronto

Sales Engineering
Position requiring creative ability wanted by designer, age 32. 2 years university engineering, 5 years in aero, mechanical and civil design. Experience in photo optics equipment and processes plus 10 years operation and maintenance of heavy equipment and power transmission systems.
Box 592, The Financial Post, Toronto

ARE YOU PLANNING
to start a small operation in Toronto? 31 year old Manager, Professional Engineer, experienced in setting up and running an efficient plant, now seeks renewed challenge and greater opportunity.
Box 593,
The Financial Post, Toronto

Interested in Maritime Expansion?
Sales and management executive available with mature experience well acquainted with Maritime Provinces marketing—presently located in Halifax. Good credit and accounting background. Confidential replies invited to
Box 596, The Financial Post, Toronto

Sales and Merchandising Executive SEEKS CHANGE
18 years experience Europe, Canada, U.S.A. Wholesale and Retail Merchandising—Large and Small Corporations, also Chain Stores. Intimate knowledge—Tire and Automotive merchandising. Conversant all major Canadian markets. Interested home or overseas. Knowledge of Spanish, French languages.
BOX 597, THE FINANCIAL POST, TORONTO

MacNab's Portfolio

A Managed Investment Account

Invested in 1944 ..... $10,000

Account latest valuation $37,160

Value Up 4% in Month

During the month ended April 15, the value of MacNab's account rose by 3.7%, or $1,343 to reach $37,160.

The manager is waiting a discernible trend in the market before he makes any changes in the portfolio.

Here is his report:

The stock market has shown some improvement during the past month and as a result the value of MacNab's account was increased from $35,817 on Mar. 15 to $37,160 on April 14.

Between these dates the Toronto Stock Exchange industrial averages rose from 483.65 to 497.48.

This represents a gain during the month of 13.83 points or 2.82%; the comparable gain in value of the account is $1,343.

It may be of interest to note in connection with the income on MacNab's account that the average yield on 114 stocks compiled by a member of the Toronto Stock Exchange was 4.69% on April 14 compared with 4.01% a year ago.

It should be noted however that about 20% of the portfolio is invested in preferred stocks and bonds.

No purchases or sales were made during the past month and no transactions are contemplated until the trend of the market becomes more discernible.

Dividend income received during the month amounted to $65.75.

This brought MacNab's cash balance at April 15 to $420.11.

Here is his portfolio:

		Cost —Per Share— $	Mkt. $
	Common Stocks		
100	Algoma Cent. & HB Ry	20	18¼
40	Algoma Steel	37	33½
60	B. A. Oil	38.72	30⅜
50	B. C. Telephone	35.46	43½
50	Bank of Montreal	48.15	50
100	Dist. Corp. Seagrams	28.47	30⅜
90	Falconbridge Nickel	31.80	31¾
20	General Motors	40	50½
60	International Utilities	21½	25
60	McIntyre Porcupine	27.91	25¼
30	Noranda Mines	38.50	
200	MacMillan Bloedel & Powell River	16.04	16¼
50	Molson's B	14.75	22
10	Steel Co. of Canada	68.00	76
90	Hiram Walker	17.50	36⅛
	Preferred Stocks		
10	B. C. Tele. 6¼% pfd.	100.00	105.00
25	International Utilities $2.00 Convertible pfd		42.00
	Bonds		
$2,000	B. C. Elec. 5½% '89	98.00	91
$2,000	Loblaw Groc. 6% '77	100.00	98
$1,000	Home Oil 6/80 Convertible debenture	100.00	95B
	SUMMARY		
	Market value		$36,740.00
	Credit balance		420.11
	Total value		$37,160.11
	Original amount invested		10,000.00
	Capital gain		$27,160.11
	% Capital gain		271.60
	Prospective Annual Income		$1,697.50
	% Yield on original investment		16.97
	% Yield on current market		4.57

WATCH CAMPAIGN

An expanded advertising and public relations program to cover the next 18 months has been launched by the Watchmakers of Switzerland organization. The aim: To tell Canadians more about the quality Swiss watch.

RÉSUMÉ SERVICE CO.

Your job application will be more effective with our professionally supported résumé. Our service is confidential. For details call HU. 1-6301 or inquire at Box 204 97 Eglinton Avenue E., Toronto.

display advertising rates

$9.80 per column inch (one column wide x one inch deep) or 70 cents per agate line (14 agate lines = one column inch). Copy must be in Toronto Office Monday a.m. **Display advertising in this section is payable in advance.**

BANKING OPPORTUNITIES IN SOUTHERN CALIFORNIA

Career positions at all levels are immediately available to banking personnel possessing experience in trust work, branch management, branch operations supervision, or commercial, real estate and installment loans.

We are a leading branch bank serving the dynamic Southern California economy and are engaged in a long range expansion program.

Qualified candidates are invited to forward résumés in strict confidence, to Box 601, The Financial Post, Toronto.

RESUMES

that get favorable attention for your application

Complete, Personalized

JOB-SEEKING ASSISTANCE

Counselling

Complete Campaigns

E. J. COCKELL

Personnel Consultant

1078 Bakervale Dr.

Ottawa 3, Ont. PA. 8-6709

CAREER in RESEARCH LIBRARY

To assist the Chief Librarian and to take charge of Canada's major collection of technical reports on atomic energy.

To maintain, with assistance, a collection of 70,000 titles and make arrangements for acquisitions and loans.

Applicants with a scientific background and experience in scientific documentation are preferred.

Attractive salary—modern pension—medical and vacation plans.

Accommodation available in the town of Deep River.

Please apply to

Personnel Office

File 4 E

ATOMIC ENERGY OF CANADA LIMITED

Chalk River, Ontario

SALES MANAGER

for

EDMONTON

MANUFACTURING & WHOLESALE FIRM

Reply giving qualifications — experience and salary expected to

C. N. MARTIN

10045 - 105th St., Edmonton

EXECUTIVE PLACEMENT CENTRE

for

Executives at all levels

Suite 304, 97 Eglinton E.

Toronto 12, HU. 1-6301

WHOLESALE GROCERY SALESMAN

Self starter required to handle Ontario sales of drug toiletry and sundry items to grocery wholesalers and voluntary chains. Must be known and experienced in the trade. Liberal salary and incentive.

Send complete details of background to

Box 615, The Financial Post, Toronto

ICE CREAM AND BAKERY MFRS.

Salesman calling on Bakery Suppliers and Ice Cream Manufacturers to sell essential oils, flavouring and franchise deals. Will consider sidelines at outset. Solid opportunity for reliable man.

Send complete details of background to

Box 616, The Financial Post, Toronto

CONSTRUCTION DIVISION

MANAGER

SALARY — $25,000 PLUS

Our client is seeking a professionally qualified senior executive for their Eastern Division with headquarters in Montreal, P.Q.

Candidates must possess an outstanding record of performance functioning in a similar or related capacity.

Appointments will be arranged to enable qualified candidates to explore this situation in strict confidence.

Please reply in writing only, to:

STEVENSON & KELLOGG, LTD.,

Consulting Management Engineering

150 Eglinton Ave. East, Toronto, Ont.

DIVISIONAL MERCHANDISE MANAGER

Must have proven experience in Hardware, Housewares, Toys and Sporting Goods. Salary $8,500-$10,000 per annum, depending on qualifications, plus generous bonus. Apply to the **Controller, A. J. Freiman Limited, Ottawa, Ontario.**

Department of Defence Production

Ottawa

requires

TWO COST ANALYSTS

(one each for the Aircraft Branch and the Shipbuilding Branch)

SALARY $6,300-$7,020

Candidates must be professionally qualified accountants with a number of years' experience and a knowledge of industrial cost analysis and cost accounting techniques.

(A position in the Financial Adviser's Branch, with duties "to review audit reports" may also be filled from this competition).

Details and application forms available at main Post Offices, National Employment Services Offices and Civil Service Commission Offices.

DUPONT CANADA

DEVELOPMENT CHEMIST ANALYTICAL METHODS

We require immediately an experienced analytical chemist, preferably having a Ph.D degree and with a background in organic chemistry, to direct an analytical methods development program. Our analytical laboratories have a complement of about 90 persons supporting the manufacture of such chemical products as nylon intermediates, acrylic fibre, chlorofluoromethanes, and hydrogen peroxide and major projects of process development. A wide variety of analyses and of analytical equipment is involved. The position is challenging and offers good opportunity for personal development. Location is Maitland, Ontario, on the St. Lawrence River between Brockville and Prescott.

Personnel Division

DU PONT OF CANADA LIMITED

P.O. Box 660, Montreal, Quebec

TWO ENGINEERS

. . . with pulp and paper experience

are required by a large and long-established manufacturer in Eastern Canada producing sulphite and sulphate pulps, paper and board. The two positions open,

(1) Control Superintendent

(2) Senior Design Engineer

lead to senior management levels and merit careful consideration by qualified engineers now earning between $7000 and $10,500. University degree is essential; age, preferably under 40.

Enquiries invited in confidence; each letter will be promptly acknowledged. Early interviews.

G. HAROLD FISK, P.Eng., Consultant★

Dominion Square Building, MONTREAL

★*Consultant . . . to Management seeking Executives, particularly Engineers*

CHEMIST OR CHEMICAL ENGINEER

INDUSTRIAL WATER TREATMENT

Large New Jersey chemical company with New York City headquarters has opening offering fine opportunity for experienced water treatment man. Position is in Technical Department, entails correspondence and supervision of field service water, etc. Reply in confidence.

E. F. DREW & CO. INC.

15 E. 26 ST., NY 10, N.Y.

ATT: J. S. BEECHER

CHARLES EXECUTIVES

& Part-Time Personnel Ltd.

Specialists in supplying

HELP OF THE HIGHEST CALIBRE

to the

Advertising — Marketing

Sales Fields

HU. 7-1576

181 EGLINTON EAST TORONTO 12

OFFICE ASSISTANT TO SALES MANAGER

Aggressive medium sized manufacturing Company requires a young man not more than 30 years old for interesting position which combines office and field work in sales. When applying give full particulars of education and past experience.

BOX 608, THE FINANCIAL POST, TORONTO

ASSISTANT CONSTRUCTION MANAGER

Western Canadian construction company building low cost homes require top flight man to locate in Regina, Saskatchewan.

THE POSITION

To assist the manager in general administrative duties.

Full responsibility for acquiring and direction of sales staff and obtaining sales results.

THE MAN

30-40 years of age.

Background of business and sales management.

Aggressive and reliable.

Experienced in home construction.

Please apply giving full particulars of age, marital status, education, experience, present salary, salary required, etc.

All replies strictly confidential.

BOX 562, THE FINANCIAL POST, TORONTO.

CAREERS

This is Canada's national meeting place for executives who have positions to offer, and for those who have ability to offer

HELP WANTED

ONTARIO PSYCHOLOGICAL CENTRE

OPC

For aptitude and executive assessments. Educational and career planning.

97 Eglinton Ave. E., Tor. HU. 1-6301

Getting Ahead

Astute businessmen plan for success; they read The Financial Post because it helps them make right decisions. Yearly by mail in Canada $8; elsewhere $9 yearly.

ACCOUNTANT

required

Engineering and Manufacturing Company in Toronto has vacancy for an accountant with industrial experience in Costing or General Accounts.

This position calls for a graduate or one who has completed a recognized course in accounting.

Starting salary $5,500 to $6,000, depending on qualifications.

Reply in confidence to

BOX 590

THE FINANCIAL POST, TORONTO

EXCEPTIONAL SALES OPPORTNUNITY

We are one of the largest international stock exchange firms, with a complete range of investment services and a world-wide network of branch offices.

As we plan a systematic expansion into the Mutual Fund field, we have several openings for suitable sales personnel. Experience, while helpful, is not necessary. Complete training provided.

Drawing account and generous commissions open to negotiation. We feel there is an almost unlimited income potential for the right persons. Please send your applications to:

BOX 598, THE FINANCIAL POST, TORONTO

SENIOR METHODS ANALYST

A large Canadian company with executive and general offices located in Vancouver requires an experienced analyst for its newly organized methods research department. Duties of this position will include planning and conducting studies into the clerical activities and paperwork routines of the company, with a view to improving methods, reporting, controls and overall efficiency.

Preference will be given to candidates 28-35, with a university degree in Commerce or Business Administration and five years general systems experience. Main requirements, however, are demonstrated ability to plan and carry important studies to completion with a minimum of supervision and the potential to grow with the department and to accept increasing responsibility, including supervision of a junior methods staff.

Salary and benefits attaching to the position are attractive and commensurate with its responsibilities. The company is prepared to assume expense of moving the chosen candidate and his family to Vancouver.

Applications which will be treated in strict confidence should provide full details of education and work history. Enclosing envelopes identified "Senior Methods Analyst" are to be addressed to:

PRICE WATERHOUSE & CO.

CANADA CEMENT BUILDING,

PHILLIPS SQUARE,

MONTREAL 2.

EPS

ENGINEERING OPPORTUNITIES

Two young Engineers are required to join a leading Pulp and Paper group. One should hold a MECHANICAL and one a CHEMICAL engineering degree. Up to one or two years' experience, which may be in any industry, will suffice, provided candidates have potential and good personalities. They will start in the Engineering and Control departments respectively of a large mill. Advancement possibilities are excellent.

AGE: Under 30 SALARY: $6,600 up

Applications, which will be held in confidence, should give full details including present salary.

Executive Placement Services

A Division of

LEETHAM, SIMPSON LIMITED

Management Consultants 550 Sherbrooke St. W., Montreal

CAREER FOR A

MACHINE ACCOUNTANT IN THE MANAGEMENT CONSULTING FIELD

Our client, a large national organization, is seeking a man of the highest calibre and ambition, between the ages of 28 and 34 and preferably with a university degree. He will be trained through specially developed courses as a management consultant. His specific qualifications should enable him to administer a punched card installation, plan for the conversion of further procedures to it, and take charge of an over-all programme of modernization of office routines.

Other requisites are the ability to negotiate successfully with top management and the ability to lead a team and gain the enthusiastic co-operation of colleagues and staff.

After successful completion of the initial training course the man appointed will be required to take his place on a team carrying out assignments in the areas of organization study, management accounting, production planning and control, and work measurement. There will be further opportunities in other areas after additional training.

This is a demanding appointment and the financial rewards are correspondingly high.

All applications will be answered, and treated with the strictest confidence. Please forward resumes to:

Executive Vice President

PAUL, PHELAN AND PERRY LIMITED

Shell Tower, Montreal, Que. 6 Crescent Road, Toronto, Ont.

quoting Reference No. 709

J. B. Fraser Executive Placement Consultants Ltd.

Canada's leading Executive and Professional Placement Company, serving Business, Industry and Executives from coast to coast for nearly a quarter century, invites your confidential enquiries.

With a skilled staff of twenty and executive offices in both Toronto and Montreal, personnel requirements are negotiated in all categories from $6,000 to $60,000 a year and Presidential levels.

TORONTO — WA. 2-2191 The Confederation Life Building 321 Bloor Street East

MONTREAL — VI. 2-9835 The Drummond Building 1117 St. Catherine Street West

Expanding U. S. Manufacturer beginning new operations in Canada needs:

SALES MANAGER

PLANT MANAGER

experienced in PLUMBING industry

Reply, Box 613, The Financial Post, Toronto

CAREERS IN SALES ENGINEERING

We are a large manufacturer of mechanical goods with a world-wide sales organization and long established in Canada. We wish to recruit two Canadian graduates in Mechanical Engineering who are willing to join our sales force in the United Kingdom and to work there as Sales Engineers for about 18/24 months. At the end of this period, they would return to Canada to take up duties as Sales Engineers here. Costs of transportation to and from U. K. will be paid for successful applicant and family.

Salary, working conditions, and prospects, both while in U. K. and after return to Canada, are good.

Applicants, who should preferably be in 23 to 27 age group, must measure up to high standards of character and personality, as this represents an exceptional opportunity.

Interviews will be arranged with applicants submitting suitable particulars to

Box 607, The Financial Post, Toronto

WANTED WIRE ROPE SALESMAN

We import high quality, low priced ropes and wires. Require salesman on commission basis. Excellent earning possibilities. Apply

Box 589, The Financial Post, Toronto

SALES REPRESENTATIVE

National Association offers rewarding and challenging opportunity to successful salesman with proven record. Experience in selling intangibles and service preferred. Age range 35-45. Must have automobile and be prepared to live in Greater Toronto area. Must be personable, intelligent, energetic and mature. Salary commensurate with experience and capabilities. Please include recent photograph with resume. All replies confidential.

BOX 611, THE FINANCIAL POST, TORONTO

COMPTROLLER

A prominent manufacturer of a wide range of quality consumer products requires a Comptroller for the Toronto Head Office. This is an attractive senior financial position requiring the accounting and administrative skills of a mature individual.

Preferred candidates will be Chartered Accountants or have other recognized accounting qualifications and will be 35-45 years of age. In addition to a broad background in accounting they will have a successful record of financial administration.

The starting salary will be fully commensurate with the qualifications and experience of the successful candidate. Applications, which will be treated in strict confidence, should include full details of education and work history. Envelopes should be identified "Comptroller" and addressed to

PRICE WATERHOUSE & CO.

55 Yonge St., Toronto 1, Ont.

ENGINEERS MATHEMATICIANS PHYSICISTS

with experience in

ELECTRONIC DATA PROCESSING

or

OPERATIONS RESEARCH

Are required to meet the increasing demand for our consulting services in business and scientific activities. This is a growing organization which provides high-calibre, personal service to its clients.

High salary levels, together with pension and profit-sharing plans ensure incomes appropriate to the high standards applied in selecting staff members.

Applications will be received in writing only and will be held in confidence.

H. S. GELLMAN & COMPANY LTD.

Data Processing Consultants

481 University Ave. Toronto 2, Ontario

MERTON DURANT

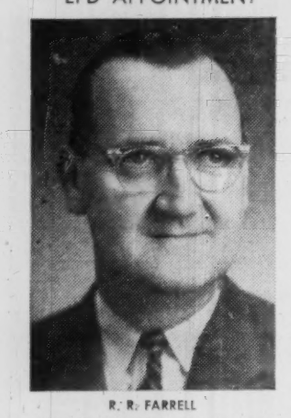
Pension Plans
Estates Analysis
Employee Benefit Plans

THE CANADA LIFE ASSURANCE COMPANY

320 UNIVERSITY AVE.
TORONTO
EM. 8-7432

ANNOUNCEMENT

EPD APPOINTMENT



R. R. FARRELL

The Board of Directors of Eastern Power Devices Limited, Toronto, announce the election of Robert R. Farrell as President, following the retirement of Walter J. Gilson.

Eastern Power Devices Limited, Canadian manufacturers of switchgear for utilities and industry, is a subsidiary of I-T-E Circuit Breaker Company.

Public Works $5.7 Million

Contracts totaling expenditures of $5,737,253 were awarded by the Federal Department of Public Works during March, 1960.

Amount for new works in building construction and harbors and rivers engineering was $4,692,085; for repairs and maintenance of existing structures, $488,998; for construction of the Trans-Canada Highway and other roads, $514,410; and for dredging, $41,760.

Major contracts:

Newfoundland

Harbour Grace—federal building — **Allied Construction Co.**, St. John's, Nfld., $99,100.

St. John's — addition, alterations, to the Sir Humphrey Gilbert Bldg., first and sixth floors—**Benson Builders Ltd.**, St. John's, Nfld., $11,700.

Prince Edward Island

Borden — inspection station for Department of Agriculture — **M. F. Schurman Co.**, Summerside, P.E.I., $17,390.

Nova Scotia

Brookfield — post office building — **Owen Fisher**, Middle Stewiacke, N.S., $14,550.

Clarke's Harbour — post office building with an addition for Department of Fisheries — **Rodney Contractors Ltd.**, Yarmouth, N.S., $17,800.

Dartmouth — addition and alterations to federal building — **Cameron Contracting Ltd.**, Halifax, $183,950.

Dartmouth — shops building for Department of Transport — **Ellis-Don Ltd.**, Halifax — $322,503.

Hantsport — Improvements to harbour — **Ralph & Arthur Parsons Ltd.**, Windsor, N.S., $104,063.

Quebec

Baie St. Paul — addition and alterations to federal building — **Charles Eugene Tremblay**, Charlevoix, Que., $33,250.

Ste. Anne de la Pocatiere — header house at experimental farm for Department of Agriculture — **Kebec Construction Ltée** —Fernando Belanger and J. L. Guerette, Rimouski, Que., $26,-963.

St. Maxime de Scott — post office building — **Benoit Grenier**, St. Elzear, Que., $15,996.

St. Pamphile — post office building — **Gerard Dube**, St. Pamphile, Que., $16,000.

Ontario

Dundas — addition and alterations to federal building — **T. A. Gowling Construction Co.**, Hamilton, Ont., $18,995.

Hamilton — repairs and improvements to harbour at Burlington Beach Wharf (Stage 3) — **Canadian Dredge & Dock Co.** Toronto, $594,806.

Niagara Falls — Unemployment Insurance Commission building — **Stewart-Hinan Corp.**, St. Catharines, Ont., $119,516.

Orleans — post office building — **Messrs. Dufort & Lavoie**, Montebello, Que., $17,485.

Ottawa — alterations to plant products laboratory at Central Experimental Farm — **Able Construction Co.**, Ottawa, $18,900.

Ottawa — new stairs and elevator in west wing of Langevin block — **William D'Aoust Construction Ltd.**, Ottawa, $66,370.

Ottawa — Installation of new elevator at Rideau Hall — **Otis Elevator Co.**, Ottawa, $8,465.

Manitoba

Fisher Branch — post office building — **A. K. Penner & Sons Ltd.**, Giroux, Man., $15,998.

Pukatawagan — six-bedroom residence; alterations to two-classroom Indian day school and existing school and teacherage; and construction of generator and pump house for Department of Citizenship and Immigration; also construction of nursing station for Department of Health and Welfare — **Bird Construction Co.**, Winnipeg, $274,913.

Winnipeg — alterations and renovations to second floor of federal building — **A. Rebiffe Construction Co.**, Winnipeg, $18,-848.

Winnipeg — Unemployment Insurance Commission building — **North American Buildings Ltd.**, Winnipeg, $1,538,887.

Saskatchewan

White Fox—post office building —**C. M. Miners Construction Co.**, Saskatoon, $21,713.

Alberta

Canmore — post office building — **Bird Construction Co.**, Calgary, $20,597.

Medicine Hat — federal building —**Bird Construction Co.**, Calgary, $507,617.

British Columbia

Glacier National Park — concrete liner and portals for Bear Creek Diversion Tunnel, at Mi. 8.7 on the Trans-Canada Highway — **Dawson & Hall Ltd.**, Vancouver, $89,410.

Kitimat — federal building — **Peter Kiewit Sons Co.** of Canada, Vancouver, $508,350.

New Westminster — repairs to superstructure of railway bridge — **Dominion Bridge Co.**, Vancouver, $175,134.

Port Coquitlam—federal building — **Alex Park & Son Ltd.**, Vancouver, $51,515.

Vancouver—alterations to subbasement of old customs examining warehouse building for Department of Fisheries—**Coronation Construction Co.**, Vancouver, $14,921.

Northwest Territories

Inuvik Area — road improvement work — **Aklavik Constructors Ltd.**, Calgary, $425,000.

Dredging contracts

Hamilton, Ont. — **J. P. Porter Co.**, Toronto, $7,880.

Port Hope, Ont. — **Russel Construction Ltd.**, Toronto, $33,-880.

Ad Men Tell All In Lecture Papers

Advertising executives will put their cards on the table at an unusual session in Montreal's Queen Elizabeth Hotel May 17.

Representatives of several firms will report on marketing problems within their own companies, then submit to questioning by a panel of other top advertising personnel.

The meeting is being sponsored by American Marketing Association and will be chaired by Dr. B. Hymovitch, president, **Motivation Research Centre.**

Each participating official will deliver a 20-min. paper and will answer questions during a following 15-min. period.

The fields of food, beverages, tobacco, hardware, toiletries and commodities will be covered in the papers.

More Talk on West Coast That More Pulp Mills Due

From Our Own Correspondent

VANCOUVER—The big West Coast forest industry is talking expansion again.

• **Gossip** in the industry is that at least two different groups — said to be German interests, and the Hearst newspaper organization — are studying the economics of a new pulp mill in the northern part of British Columbia.

• **Empire Mills Ltd.**, which recently was awarded a tree farm license, definitely will begin construction this fall of its $2,-000,000 plywood mill at Squamish, on Howe Sound, North of Vancouver. It will be in production in the spring or summer of 1961.

• **It is learned** that big **Georgia Pacific Co.**, a major U. S. forest industry operator, has held an option on 7,500,000,000 board feet of timber on some 350,000 acres in Alaska, and reportedly is contemplating a newsprint mill. Such a mill would obviously be in competition with British Columbia mills in the U. S. west coast market.

Rumors of a new pulp mill in B.C. have persisted for weeks (FP, Jan. 2) but are difficult to pin down.

One principal may be **Fort St. John Lumber Co.**, representatives of which recently visited Germany. Their tentative $55 million project would use power from the proposed Peace River power project.

Recent visitors to Vancouver from Germany also have been talking pulp mill.

And the latest rumor was to the effect that Hearst representatives were studying the economics of a mill operation in the Prince George area.

Meantime, **Celgar Ltd.**, subsidiary of **Celanese Corp. of America,** is pushing ahead with construction of its pulp mill near Castlegar, in the Kootenay district.

This is the first pulp mill in the British Columbia interior, all others being located on tidewater.

ANNOUNCEMENT

ROYAL EXCHANGE-ATLAS GROUP

JAMES T. BUTTERY — DONALD J. DUNLOP — JAMES W. HENDERSON

In connection with their world-wide merger the Courts of Directors of the Royal Exchange Assurance and the Atlas Assurance Company Limited announce the following executive appointments for Canada effective May 1st, 1960:

Mr. James T. Buttery, F.I.I.C., as Manager for Canada
Mr. Donald J. Dunlop as Associate Manager for Canada
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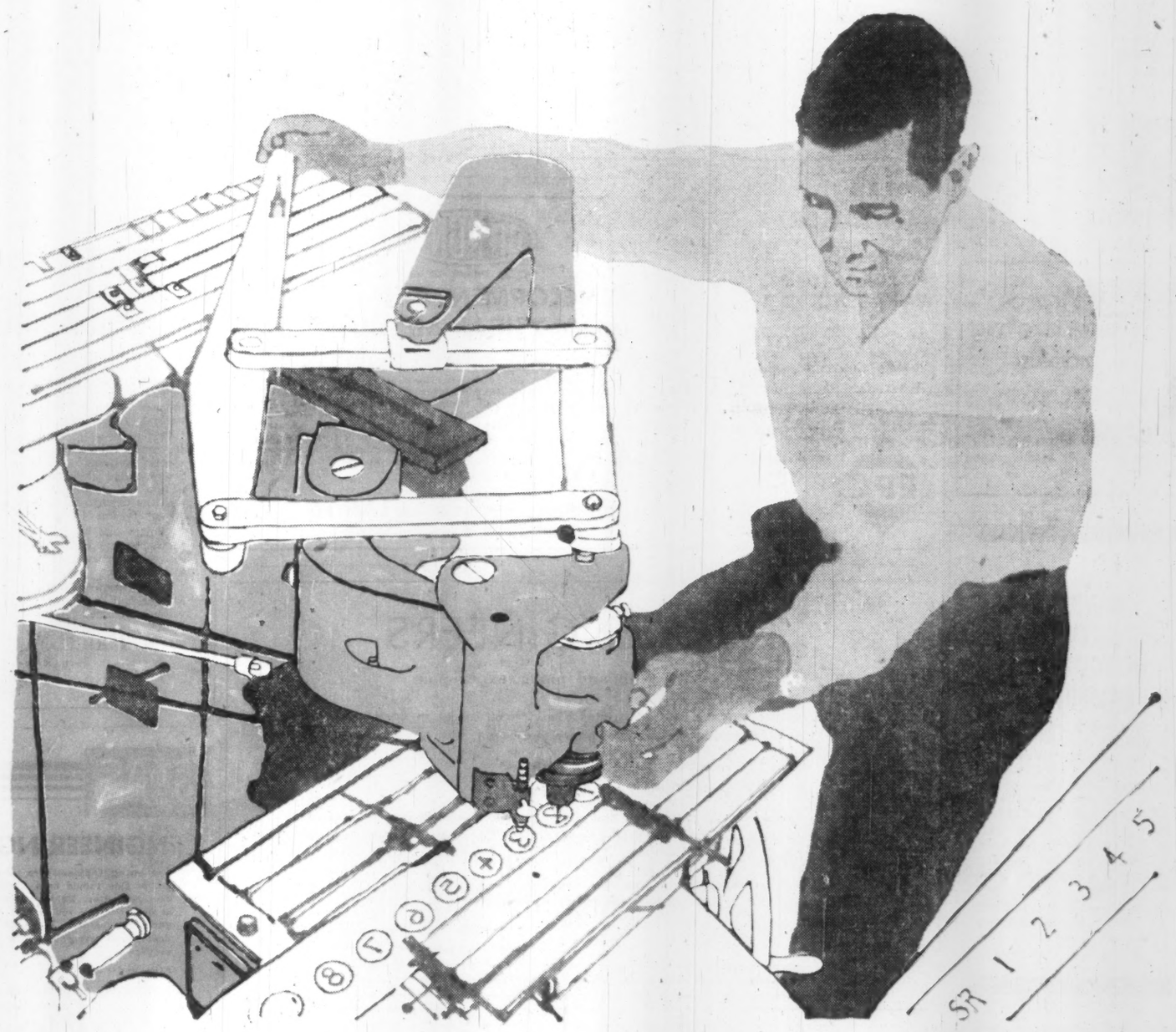

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Did Teamsters 'Throw' Fight Over Expulsion?

MONTREAL (Staff) — Was the Teamsters Union really pushed — or did it jump?

This question haunts both labor and management, following the decision last week by the Canadian Labor Congress convention to put the big union on 30-day parole.

If the Teamsters don't promise by the end of May to obey CLC rules, then they will be expelled.

But there is now a rising suspicion that Teamsters may decide to accept expulsion, to be free to expand wherever it can get members — possibly even set up a new labor congress in opposition to CLC.

The sudden burst of get-tough feeling against the uninhibited Teamsters, — as well as the Seafarers International Union — was the only really unexpected event during the CLC convention.

At the half-way point in the meeting CLC's executive was still striving to find a way of settling the bitter disputes between both unions and other CLC members.

Feeling was strong that the labor movement would suffer more from any drastic disciplinary action than it would from a passive "wait and see" decision (FP, April 30).

While both the Seafarers and Teamsters had been found "guilty" of the same charge — raiding other CLC unions for membership — the 1,700 delegates on hand were more of a mind to deal severely with the Seafarers than the Teamsters.

Partly this was because of the open disregard for union ethics displayed by SIU's Canadian boss, Hal C. Banks, but also because of the greater size and far greater power of the Teamsters.

However, things blew up at midweeek when — quite suddenly — the Teamsters demanded to have their case heard on the convention floor.

The big question in union circles was, and still is why?

If, as many of the delegates believe, it was because the Teamsters thought they would win their case, it was a monumental miscalculation on their part.

On the other hand it looks increasingly as if the Teamsters wanted to be thrown out, and wanted maximum publicity to show themselves as innocent unionists victimized by the congress.

This would be valuable for the Teamsters if they form their own Canadian "legion of outcasts" with their international boss, James Hoffa, as its leader.

Whatever the Teamster reasoning may have been, the tension was electric last Thursday afternoon when CLC President Claude Jodoin summoned the Teamster delegation to the stage to make its case.

The senior Canadian Teamster, I. M. "Casey" Dodds, strode to the rostrum. To observers well used to Teamster bombast, Dodds was a sight to behold. He kept his voice so soft that delegates at the back of the hall had to demand he speak up.

The Teamsters, said Dodds, were the victims of a virtual conspiracy among their rivals — the Canadian railway unions — and CLC's executive. The Teamsters had been cheated and made to appear before the convention with only three hours in which to prepare their brief.

Sad-faced to the last, Dodds made a strong plea for being allowed to stay in CLC — on the Teamsters' own terms.

The delegates heard him out in almost complete silence. Time and again Dodds paused, obviously for applause, only to receive a smattering of support from small islands of Teamster supporters.

His defeat was absolute. Even the introduction of a personable young Teamster executive from Vancouver, E. M. Lawson, did little to retrieve the situation.

When the debate was thrown open to the floor, some delegates argued it was a mistake for the congress to fight internally and that the Teamsters and railway unions should be made to agree.

Finally the meeting voted — at least five to one — to give the Teamsters 30 days in which to toe the line or stand expelled. The Seafarers, who originally were going to get another six months of suspension were expelled outright.

It was a substantial victory for William Smith and Frank Hall, the two leading Canadian rail labor officials, who had fought long and hard against the rough tactics of the two, hard-fisted, U. S.-controlled labor giants.

But few observers — either on the management or labor side of the fence — expect that this is the end of the story. The Teamsters are not likely to take this quietly.

If this was simply the prelude to establishment of a new Hoffa-dominated labor empire in Canada, the upcoming battle will be painful — with many companies and workers trapped in the middle.

If the Teamsters don't back down, it will be open season for membership hunting by the big union. And the Teamsters have already ranged far and wide for fresh organizational fields. From the moment they are expelled, they will be completely free to organize in any industry.

And, of course, present CLC members will be equally free to raid existing Teamster strongholds.

Other than the Teamster-SIU issue, the convention ran largely to form.

Nobody seriously expected the convention to vote against union participation in the new, unnamed left-of-centre political party. But the final vote was almost overwhelming.

This writer counted fewer than 50 hands raised against the motion, although perhaps 20 more hesitated before abstaining.

The convention did not deal with proposed political platforms for the new party, other than to speak in general terms — as did delegate after delegate — about labor's responsibility to play an active political role.

How the often-conflicting interests of the industrial unions and the strong rural wing of the CCF will be merged was left to the founding convention, planned for sometime late this year.

Fireworks came during a debate over a resolution calling for an end to CLC's policy of banning unions led by known Communists or Fascists.

A number of delegates argued hotly that the labor movement should save its strength to fight the bosses rather than union men "who might believe differently to us."

President Jodoin and his executive were having none of that — and it turned out that the great majority of delegates agreed with them.

As far as routine business was concerned, delegates expressed their opposition to Ottawa's handling of unemployment and its treatment of the workers generally. Most delegates seemed to feel this would all be tidied up once the new Labor Party got on the road.

Not unexpectedly, a number of resolutions calling for the adoption by CLC of an ethical practices code and the need for unions to make their financial figures public, never got to the floor of the convention.

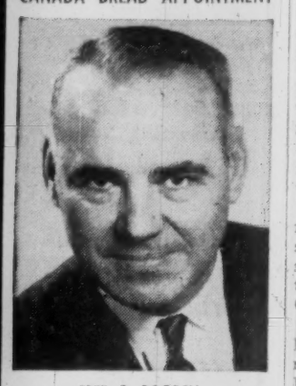
With the Teamsters and SIU dealt with, CLC's executives seemed to feel they had washed enough dirty linen in public for one week.

There's a lot of hard work — and even harder compromising — ahead if Canadian labor is to get its politcal bandwagon rolling.

Last week's apparent determination to clean up its own shop was certainly one important step toward winning any general public support in the future.

ANNOUNCEMENT

CANADA BREAD APPOINTMENT



FRED G. BOGDEN

Mr. W. C. McAdam, Vice-President—Sales, of Canada Bread Company Limited, announces the appointment of Mr. Fred G. Bogden as General Sales Manager.

BUSINESS COURSE

A new technique for helping local inde-ndent radio and television servicemen improve their business methods is being offered by **Canadian General Electric Co.,** Toronto. The course, available from authorized distributors of GE receiving tubes and other electronic components, incorporates a long-playing record and two texts.

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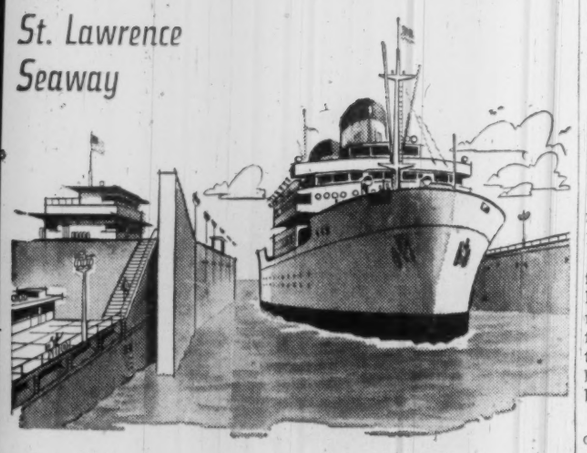
The St. Lawrence Seaway



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Du Pont Says Three-Month Sales Up 15%

MONTREAL (Staff) — Sales of **Du Pont of Canada Ltd.** during the first quarter this year were about 15% higher than those for the same period a year ago.

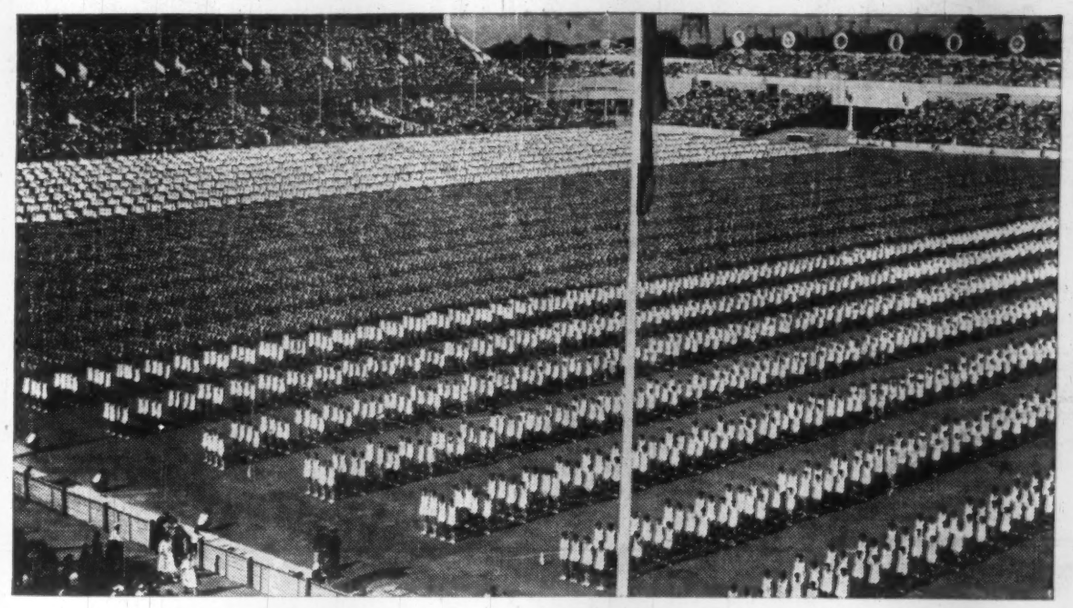
Earnings, Du Pont President Herbert H. Lank told shareholders last week, were also "somewhat higher."

Discussing trade and industry generally, Lank said that there was a popular impression that Canada was fast becoming an industrialized nation.

He described this as "one of our great and dangerous national delusions."

"The fact is inescapable," he said, "that we have not grown industrially as quickly as we should have, or could have. And yet we do have sufficient installed manufacturing capacity to expand output greatly — if this output could be sold."

Canadians, Lank said, should discipline themselves to buy at home.



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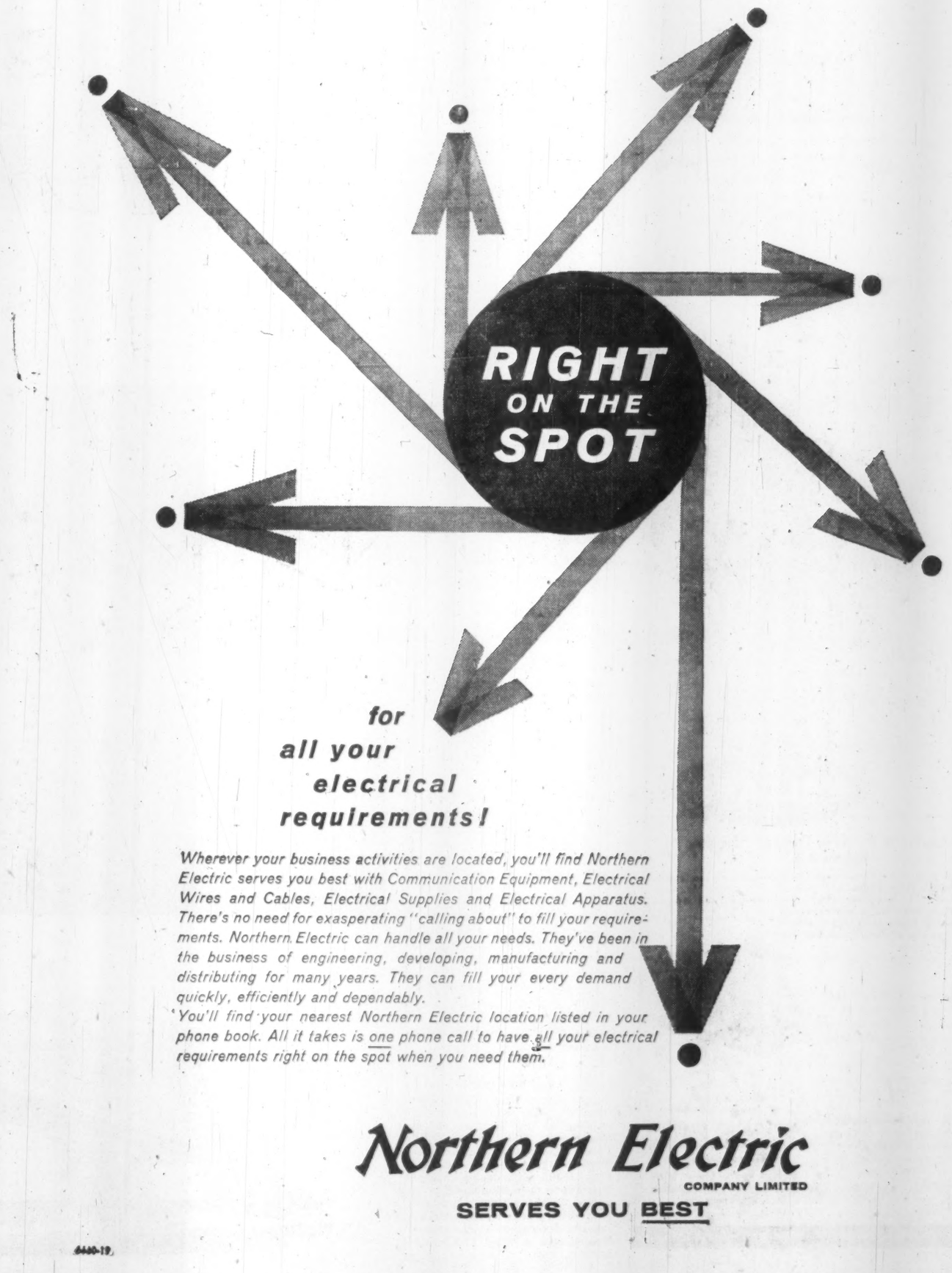

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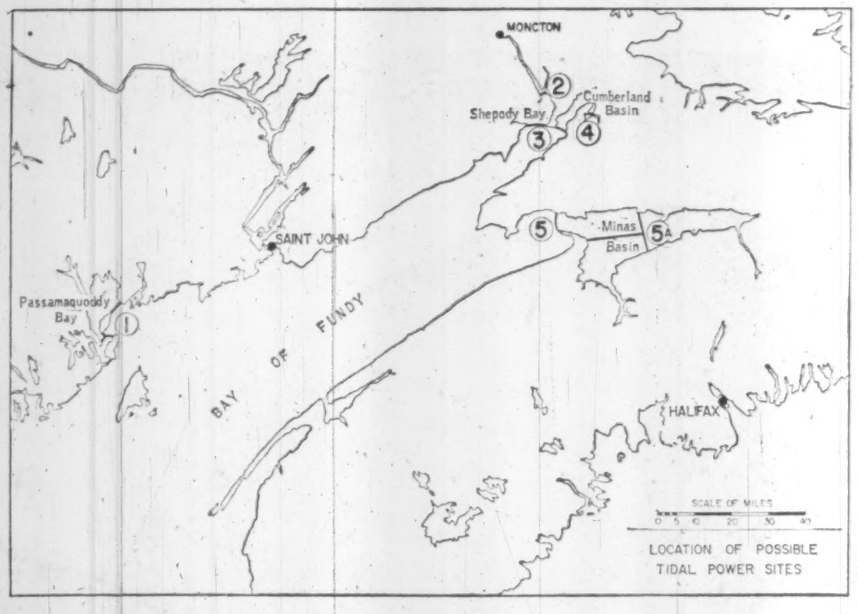


Tide of Opposition Rises Over Quoddy

A rising tide of disagreement may drown the proposed $170-million Passamaquoddy tidal power project on the Maine-New Brunswick border.

A possible by-product could be another big Canadian-U. S. argument over hydro development of an international river — the St. John.

Battle lines aren't yet clearly drawn.

But a broad area of controversy has been sketched — both by the report last year of the International Passamaquoddy Engineering Board and at a hearing of the International Joint Commission

It isn't all Canada vs. the U. S.

Fishing interests and nature-lovers on both sides of the border tend to oppose Passamaquoddy—which, with dams and powerhouses, would utilize the rise and fall of the great Fundy tides to produce a capacity of up to 555,000 kw.

Depending upon the scope of the over-all development scheme, cost might run up to $630 million.

U. S. private power men are also opposed.

Judging by submissions at the IJC hearing, these generalizations appear to be true:

• **Most Canadian enthusiasm** for Passamaquoddy is being battered down by the prospect of high costs and the strong feeling that cheaper power is available at other Atlantic Provinces' sites, including the St. John River.

• **The pro - Passamaquoddy forces** seem much stronger in the U. S. Prompted by the ability to borrow money at lower interest rates, plus the desire to give Maine an industrial boost, these groups may yet win the fight.

A possibility:

That the U. S. may eventually bid to build Quoddy by itself.

Observers fear the possibility of a sharp Canada-U. S. divergence.

Canada may end up pushing hard for comprehensive international development of the estimated 700,000 kw (or more) available on the St. John. This would call for water storage and power development in Maine.

Too, if it's to be tidal development, it appears greater economy might be found at all-Canadian sites on the Bay of Fundy.

Foundation of Canada Engineering Corp. has estimated that tidal power from Quoddy might cost twice as much per kilowatt hour (14.9 mills compared with 7.05) as tidal power from Cumberland-Shepody at the head of the Bay of Fundy.

And Canadians are increasingly aware of the possibility that power delivered in the Maritimes from undeveloped Hamilton Falls in Labrador could be cheaper than Quoddy energy.

A typical Canadian view comes from the Atlantic Provinces Economic Council: "Other power sources should be given further study . . ."

And the **New Brunswick Electric Power Commission:**

"It would seem evident . . . that financial participation by Canada . . . at this time would not be economically attractive."

But the Maine Governor's Committee on Passamaquoddy had a different view.

It sees full Quoddy development yielding nine-mill power which, it says, is attractive.

(This is based on lower interest costs than those possible in Canada.)

And it says "Quoddy is a brilliant and practical plan. It would mean much to Maine. Our earnest hope is that it will be built."

Can the two nations go their separate ways, the U. S. with Quoddy and Canada with the St. John and other Bay of Fundy tidal schemes?

They can. But it would be costly for two reasons.

▸ **Any of these large projects** would produce more power than will be needed in the immediate future. It's obviously desirable to integrate the power supply of the whole international area.

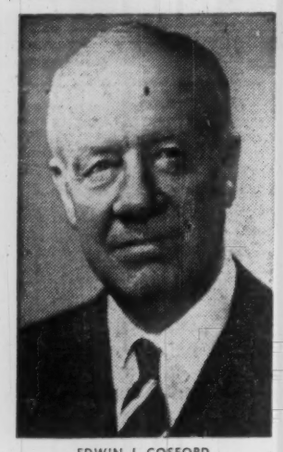
▸ **And Canada needs U. S. co-operation** for most economical development of the St. John.

The result:

If we thumb down Quoddy and the U. S. likes it, a period of international wrangling will follow.

Right now it seems that our main hope will be that the U. S. will co-operate in a St. John River development scheme — and shelve the decades-old Quoddy dream.

ANNOUNCEMENT



EDWIN J. COSFORD

Federal Commerce and Navigation Co. Ltd. announces the appointment of Edwin J. Cosford to its Board of Directors. Mr. Cosford, in his new capacity, will assume the duties of Managing Director of the Company.

Associated with the transportation field during his entire business life, Mr. Cosford was formerly Chairman of the Board of Canadian Car Company Limited, Canadian General Steel Foundries Limited and Canadian General Transit Company Limited.

APEC Urges 'Use Caution' On Quoddy

By VINCE LUNNY

HALIFAX (Staff) — Canada should move slowly in assessing the value of the proposed international Passamaquoddy tidal power project, Atlantic Provinces Economic Council says.

In a submission to the International Joint Commission, APEC says other Atlantic Provinces power sources should first be given further study.

It points out that possibly the Bay of Fundy would produce cheaper power.

Two other sources under consideration:

• **Hamilton River.**

British Newfoundland Development Corp. estimates electric energy can be delivered from Labrador to the Moncton-Amherst area for seven mills per kilowatt.

• **Saint John River.**

Potential sites offer real possibilities for adding large new generating capacity to the Atlantic power pool, APEC says.

These developments appear from present data to have economic advantages over considered tidal power projects.

Showing the most promise is a two-basin, two-powerhouse system at the head of Fundy.

Envisioned:

Two stages of equipment installation, each of 50 units rated at 9,000 kw.

Capital cost of the first stage is estimated at $205.5 million and cost of the full development, $313 million.

Canadian share of the cost of the Passamaquoddy project:

$272 million for installed capacity of 150,000 kw.

APEC says unit cost per kilowatt hour at Passamaquoddy would be 14.9 mills against 7.05 mills for the first stage of the Fundy project.

It suggests too that thermal plants be given thorough study before Canada commits itself to development of its share of the international development.

CISC MEETING

Canadian Institute of Steel Construction will hold its annual meeting at the Seigniory Club, Montebello, Que., May 13-14. Three guest speakers will be G. Hardenberg, co-designer of the Port Mann orthotropic bridge, Vancouver; David Holbrook, president, **Algoma Steel Corp.**; T. Stevenson, head of the marketing and development department, British Iron & Steel Federation, London, Eng.

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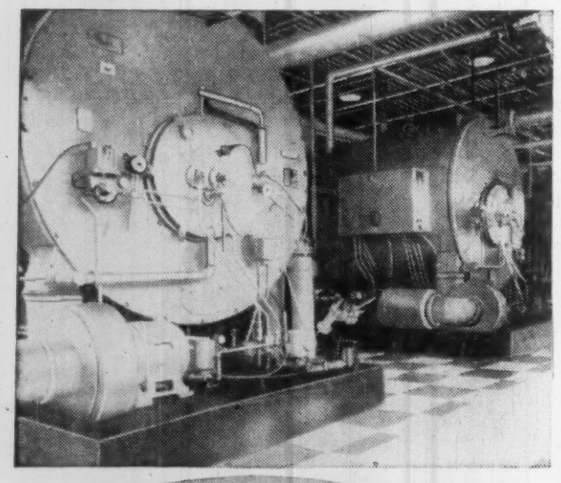

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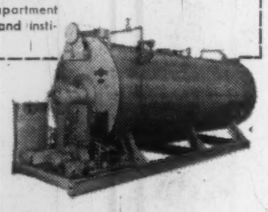

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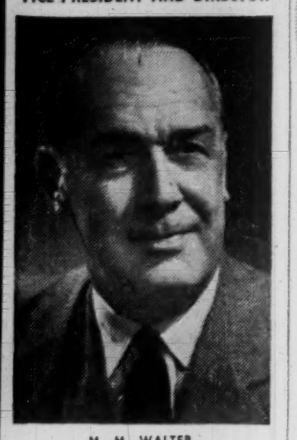

M. M. WALTER

The appointment of M. M. Walter to the Board of Directors and his election as a Vice-President and member of the Executive Committee has been announced by Montreal Trust Company. Mr. Walter is Chairman and President of the Royal Bank of Canada and a Director of a number of well-known Canadian companies.

REAL ESTATE AWARD

Melton Real Estate (Vancouver) Ltd., has offered a $250 annual scholarship for students taking real estate courses under the faculty of commerce and business administration's bachelor of commerce degree program at the University of British Columbia. Award will go to a student starting his third year and who takes the urban land investment course.

Parliament's Business

By FP's OTTAWA STAFF

Those University Grants

THE GOVERNMENT'S bill to allow provinces to pay their own university grants has moved the question of federal support to universities into the general arena of dominion-provincial relations.

This was clear in second reading debate on the bill last week, both from Finance Minister Fleming's comments in support of the bill, and Liberal Lionel Chevrier's attack on it.

Federal support to universities began nine years ago in the form of a federal grant of $1 a head of provincial population, divided among the universities of a province on the basis of enrolment.

Although Quebec refused the grant, it didn't imply any fundamental change in the structure of the agreements between the dominion and the provinces.

The present bill does imply basic changes, as both Fleming and Chevrier pointed out (although from vastly different viewpoints).

The present bill does two things:

- **It adjusts the tax - rental formula** so that provinces renting the income tax field to the federal government will continue to receive a rental of 13% of collections during the two fiscal years 1960-62, instead of the 10% they received at the beginning of the present tax-rental agreement.
- **It gives any province the alternative** of paying university grants (at $1.50 a head of provincial population) by collecting corporation tax.

Quebec's 9% corporation tax, and 9% of Ontario's 11% tax are now fully abated against federal corporation tax. Any province can now collect corporation tax up to the level of 10%, and receive full federal abatement. University grants are to be paid from the 1% additional tax.

It was on the second function of the bill that the speakers concentrated their remarks.

Fleming emphasized that the taxation abatement alternative was open to any province which wished to adopt it. Although only Quebec has indicated that it will adopt the alternative, any other province may use it to open up its tax-rental agreement with the federal government for re-negotiation.

Chevrier made a fundamental attack — his most sweeping attack of the present session — on the new bill.

The bill, he said, raised far worse constitutional problems than were left by Quebec's refusal to accept the grants offered under the old system.

He pointed to section 92 of the British North America Act which says that:

"In each province the legislature may exclusively make laws in relation to . . . direct taxation within the province in order to raise a revenue for provincial purposes."

Now, said Chevrier, under the new bill the federal government is saying to the province:

"We will reduce our corporation income tax, which is a direct tax, on the following conditions: The provincial government must levy a direct tax of at least 1% on corporation income; the proceeds of that provincial tax must be distributed to the universities in the province, and the total grant must not be less than $1.50 per capita. If the proceeds of that tax exceed $1.50 per capita, we, the federal government, will appropriate the surplus of those provincial revenues."

Thus the federal government was determining when a provincial tax was to be levied, what would be its minimum rate, how it would be utilized for a provincial purpose, and what would be its maximum yield to the provincial treasury.

This amounted to a delegation by the federal government of a provincial power to a provincial government.

"Surely no other federal government or minister of finance since Confederation has dared to intervene so emphatically, so evidently and so thoroughly in an exclusively provincial matter."

Chevrier also raised the question of deducting from other federal payments to Quebec the difference between the 1% corporation tax yield and the amount paid out to universities at the rate of $1.50 per head of provincial population (Quebec, after balking at this deduction, still hasn't specifically assented to it).

This kind of deduction also, he claimed, contravened section 92 of the British North America Act, because this section gave revenues raised by a provincial legislature for a provincial purpose exclusively to the body which raised them.

The federal government couldn't claim any share of revenues raised in this way "in the form of deductions as if they were a debt due by the province to the federal treasury". (This is the language used by the new bill.)

Although Solicitor General Lionel Balcer, who spoke for the government in reply to Chevrier, didn't attempt to deal with any of the issues he raised, they will certainly be raised this summer when the provincial premiers gather in Ottawa to discuss the "new deal" promised by Mr. Fleming to the provinces.

* * *

TWO OTHER THEMES besides tax-sharing received the house's attention last week — defence and apartheid.

Cancellation — or the next thing to it — of the U. S. Bomarc program started a small-scale debate and produced daily questions about the Canadian program.

The apartheid "debate" saw all three parties condemn South Africa's racial policies; but there is nothing on record against it except six speeches in Hansard.

Although the British House of Commons last month passed a unanimous resolution deploring apartheid, Prime Minister Diefenbaker refused to permit the introduction of a similar motion in the Canadian House.

Instead, he said, he would try at the Commonwealth prime ministers' meeting in London this week "to bring about some realization that within the Commonwealth as it expands there will come a day when discrimination will not be accepted; but rather that the Commonwealth will provide the soil and climate in which its individual members can consolidate self-sustained growth, and the atmosphere in which they can develop talents of their own choosing."

This was how Liberal Leader Pearson put his opinion:

"It is surely no longer possible to refrain from speaking out; because these recent developments have shown depressingly and conclusively that the hoped for evolution in the right direction has not been taking place. The recent events have confirmed that if South African policy is moving at all, it is moving in the wrong direction."

FOREST FELLOWSHIP

An annual fellowship of $1,500 for encouragement of postgraduate studies in forest products research will be given by the Eastern Canada section of the Forest Products Research Society. It's available to graduates of universities throughout Eastern Canada. Details have been given to universities.

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Spartan Air Services Limited
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Mr. R. J. Reynolds, President of Spartan Air Services Limited, and Mr. W. P. McGill, President of Sulmac Exploration Services Limited, announce the appointment of Sulmac Exploration Services Limited as Technical Sales Representative for Spartan Air Services Limited in the Toronto area.

Sulmac Exploration Services Limited are engaged in the interpretation of airborne surveys and contract geophysical and geological surveys in the mining and oil industry.

Spartan, who offer a complete line of airborne geophysical surveys, pre-engineering services, and helicopter charter and maintenance facilities will now, through their association with Sulmac Exploration Services Limited, be in a position to offer a more completely integrated service to their clients, and reciprocally, Sulmac Exploration Services Limited will be able to draw upon the resources of Spartan in providing their clients with a comprehensive line of airborne geophysical surveys.

A previous announcement described the association entered into by The Bristol Aeroplane Company of Canada Limited and Spartan Air Services Limited which has now added the resources of the Canadian and world-wide Bristol organization to Spartan's specialized operation.

Sulmac Exploration Services Limited have their offices at 80 Richmond Street West, Toronto, Ontario

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—once said: "A part of everything you earn is yours to *keep*!" He insisted that his sons and grandsons save one shekel out of each ten they received in wages or trade.

He knew through experience that a man who permanently puts away ten percent of all he earns, never needs to throw himself upon charity . . . and can spend the remaining 90% as he pleases.

Today many men "compel" themselves to salt away about 10% of all they earn for their old age, the emergencies of life and the replacement of family income if death strikes unexpectedly, by investing in long-term *permanent personal policies* of life insurance.

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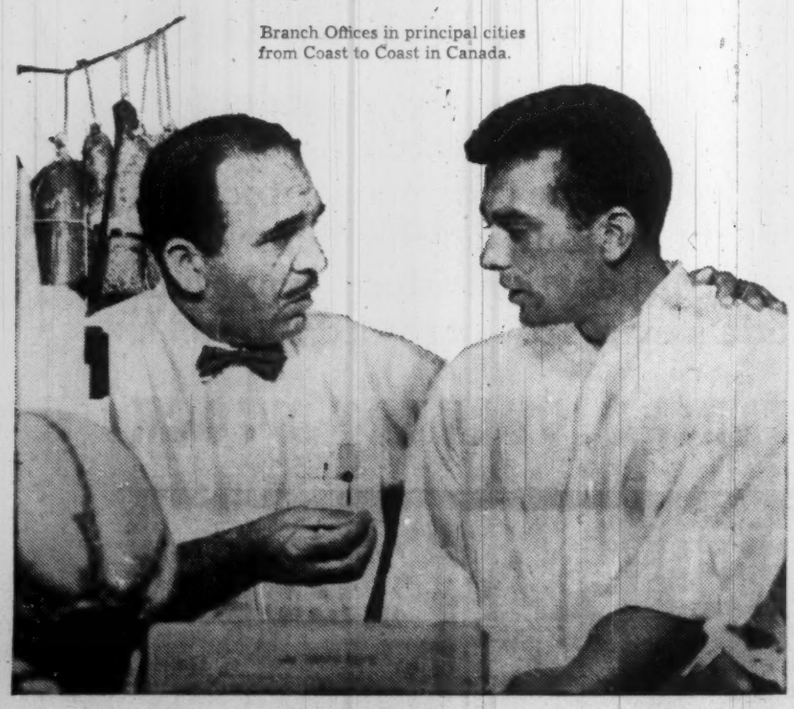

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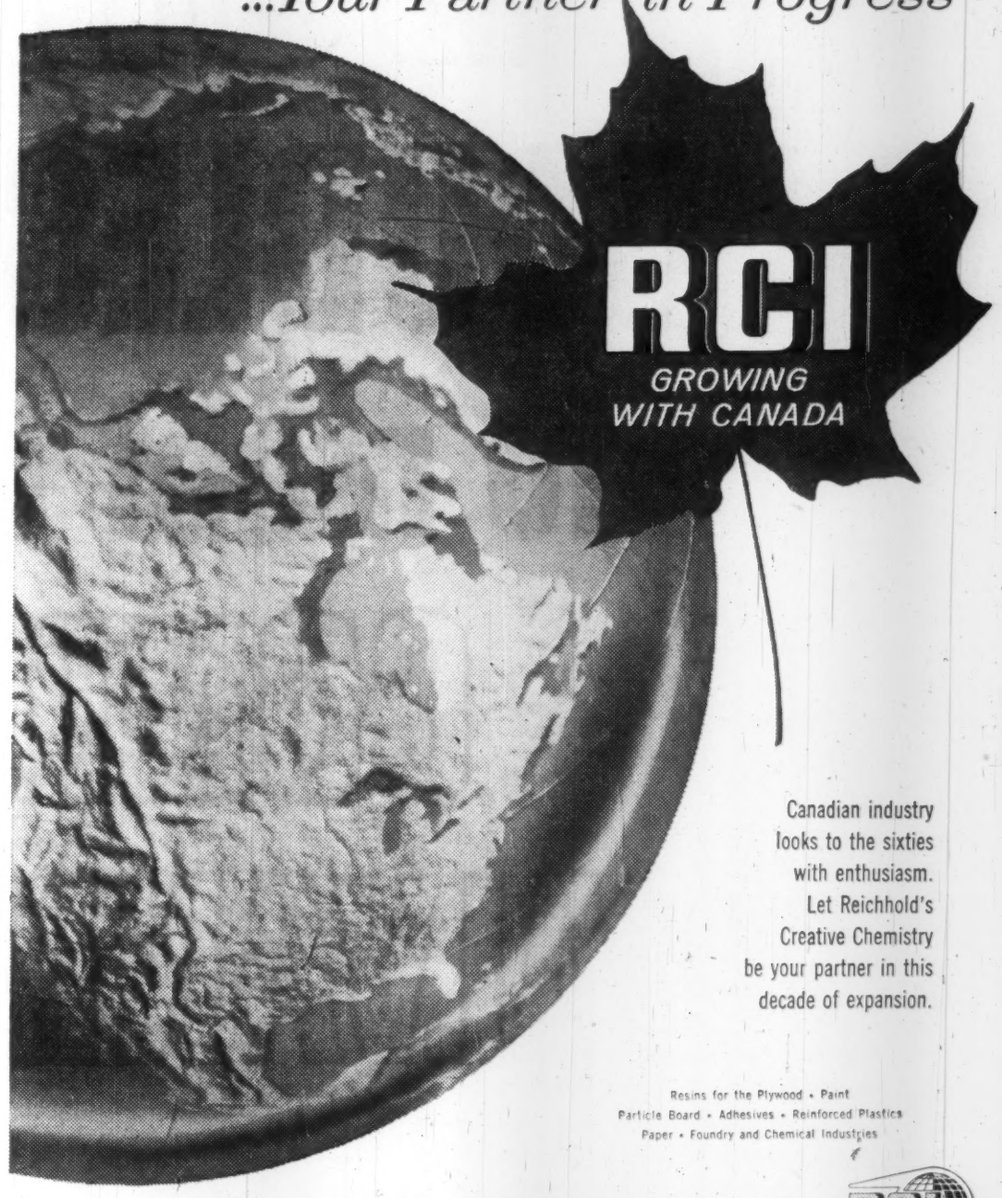

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ANNOUNCING

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IPEC

In January, 1960, International Power and Engineering Consultants Limited – IPEC – became the new corporate name of B.C. and B.B. Power Consultants Limited of Vancouver, Canada. In addition, as from April 1st, 1960, IPEC assumed the functions and responsibilities of B.C. Engineering Company Limited of Vancouver, Canada, together with the Vancouver office of Balfour, Beatty & Co., Limited of London, England.

This consolidated organization will offer comprehensive engineering facilities and, through its association with the well-known, well-established firm of Balfour, Beatty & Co. (Overseas) Limited, its services are available throughout the world.

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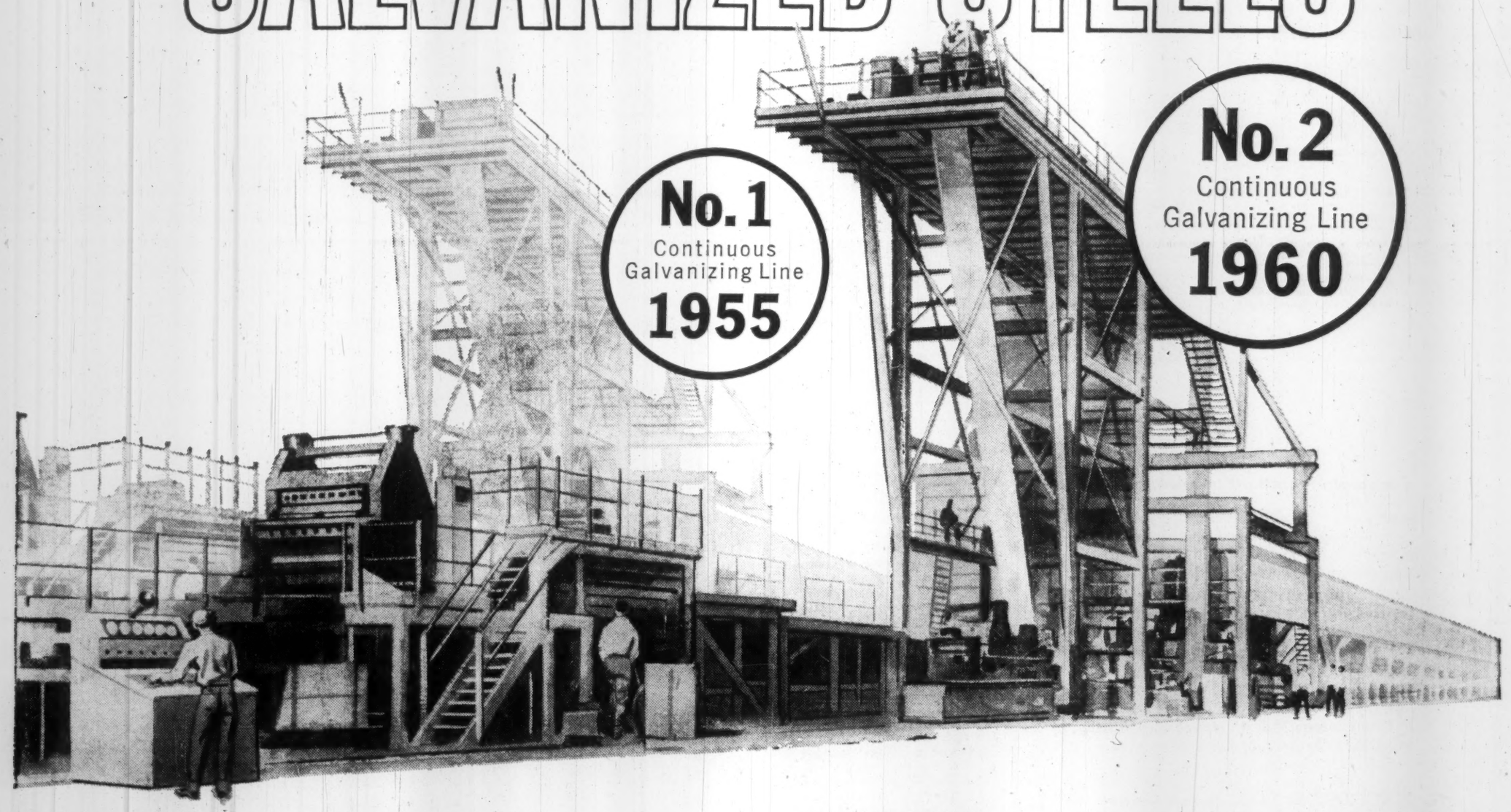

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The Financial Post

Vol. LIV | Member of Audit Bureau of Circulations | Publication Office: Toronto, May 7, 1960 | Twenty-five Cents an issue, Eight Dollars a Year | No. 19

KEENLEYSIDE

"My suggestion is that we should work out a system of 'selective free trade' . . . There is no reason why it should not be extended to any country . . ."

Treatment for Our Lopsided U. S. Trade

We can do something about it. Hugh Keenleyside suggests a drastic remedy for our major problem . . .

By HUGH L. KEENLEYSIDE

This year Canada will buy about $1,000 million more from the U. S. than we will sell them. This adverse balance is not new, but it grows larger every year.

The situation is made worse by the fact that our total foreign trade is increasingly being confined to exchanges with the U. S. A good many Canadians are seriously worried by this trend which they consider economically dangerous and politically ominous.

A couple of years ago we elected a government — in part at least — because it said it would transfer some of this trade to other channels. Wasn't it about 15% that was to be diverted to the U. K.? Apparently this was just another example of the kind of slippery plank on which a government can run but not legislate.

In a speech in Vancouver a short time ago I ventured to suggest a formula which, if carefully applied, might have the effect of reducing the dimensions of the annual deficit in our exchange with the U. S.

This suggestion received a good deal of attention, some of it favorable, much of it adverse.

Some of the hostility was the result of normal intellectual inertia — the common human distrust of anything new and, above all, of a new idea.

But other critics said my suggestion would only work if the governments concerned used totalitarian methods.

Still others interpreted my idea as involving a form of economic union with the U. S. and saw in it a threat to Canadian independence.

Now this is a subject on which I feel very strongly so let me make it clear at once that I am firmly opposed to anything like an Economic Union with the U. S.

My reasons are four:

- **It would result in such close economic ties** that it would be harder than ever for us to cope with U. S. social and political pressures.

Canada is a country with values that are different from those of the U. S. and, in my opinion, generally better. I do not want to see them lost.

- **Canada would be swamped with U. S. products,** including a great many that I consider cheap and nasty, which the present tariff helps to keep out.
- **Under an economic union** there would be no effective argument to force U. S. companies to establish factories in Canada in order to enjoy the Canadian market.

We might even find the great automobile companies, for example, closing their Canadian plants and consolidating their production in the U. S.

- **Such a scheme would disrupt our trade agreement** with other, particularly Commonwealth, countries.

While these have certainly not been a spectacular success they do have a certain value both commercially and in the political sphere.

So for almost every reason — social, economic, political — I believe that Economic Union with the U. S. would be harmful to Canada.

Indeed it might lead directly toward the disappearance of our country in the great U. S. mass.

This is something that I, for one, am not prepared to contemplate.

But without falling into the trap of Economic Union it seems to me that there is something we can do to improve our trading policy vis-a-vis the U. S.

My suggestion is that we should work out a system of "selective free trade" with the selection based on the willingness of U. S. companies to allocate an appropriate portion of their total production to factories established in Canada.

Nor need this proposal be confined to our trading relations with the U. S.

There is no reason why it should not be extended to any country that is willing to meet the basic qualification: the establishment of new factories in Canada and free access for their products to the consumer market in the other country. More about this later.

This idea is not new, nor is it an original invention of my own.

Like so many of the concepts which have affected our recent lives it was first developed during World War II.

In the dark and dangerous days of 1940 and 1941 the governments of Canada and the U. S. drew closer together to face the threatening storms from East and West.

Influenced by the personal relationship and common views of Prime Minister King and President Roosevelt the two governments developed more intimate and more frequent contacts in the political sphere.

The Permanent Joint Board on Defence was set up to work out combined plans for the military, naval and air protection of the continent. And in 1941 Ottawa and Washington agreed to set up Joint Economic Committees to co-operate in planning the maximum beneficial use of the resources and productive machinery of both countries for war purposes.

As a result of the work of these committees there was a marked improvement in the effective utilization of the two economies. In a number of ways the Joint Committees made a real contribution to the effective prosecution of the war.

In 1943 when it was at last becoming clear that Nazi power was on the wane, and that it would not be too long before Germany, Italy and Japan would be defeated, the Joint Committees began to give some thought to plans for the post-war world.

One of the proposals that was discussed but not acted upon at that time had specific reference to the automobile industry on the two sides of the boundary.

The idea, in brief, was that each major company in this field should divide its production by allocating the manufacture of certain specific models exclusively to a Canadian factory.

All its other cars would be made in the U. S., and the Canadian and U. S. tariffs on all the company's motor cars would be completely abolished.

This would mean for the Canadian factory that it would have the whole market above the Mexican border for the particular models which it produced. Similarly the units produced in the U. S. would have free access to the Canadian market.

It was argued that this would mean that the companies concerned would profit by a larger consolidated market, that the various centres of production would have an increased stability in demand and employment, and that the U. S. consumer possibly, and the Canadian consumer certainly, would have the benefit of lower prices.

Although this proposal was abandoned under the pressure of more immediate necessities it was known to the members of the committees that at least one major U. S. producer was prepared to enter into a serious discussion of the idea.

It has long seemed to me that in failing to follow up this idea the members of the Canadian committee missed an opportunity that, properly exploited, might have resulted in real benefit to Canada and Canadians.

Perhaps it is not too late to take another look at the proposal.

There would be, of course, many industries in which the scheme would not work.

In textiles, for example, where there are a vast number of independent or semi-independent companies working on both sides of the line it would probably be quite impractical to institute any such arrangement.

If the scheme will work at all — and I have yet to hear any convincing argument against it — it will certainly work most easily in those industries in which monopoly conditions exist, or in which the whole field is covered by a small number of firms.

It would also, in my opinion, be possible to apply the scheme effectively in the case of highly specialized industries in which the number of commodities is relatively limited and closely standardized—as for example certain basic chemicals, or major domestic equipment or industrial appliances, or glass products.

It has been charged that this proposal would require so much governmental intervention and policing that it would only work effectively in a totalitarian state.

Now no one could be more strongly opposed to totalitarianism—whether Nazi, Fascist, Communist or Clerical — than I.

If I thought that Selective Free Trade would require any such policies in Canada I should be among the first to oppose it.

But I do not believe that its adoption would require any departure from our democratic way of life.

Let us see how the scheme would work.

The first step, of course, would be agreement by the government of Canada and the U. S. that the scheme is worth trying.

Parliament and Congress would then pass permissive legislation.

The governing word here is "permissive". There would be nothing mandatory required.

The operative procedure would be for businessmen who are prepared to share production and share the international market in accordance with the basic legislation, to apply in Canada for an order-in-council and in Washington for a presidential order which would open the particular channel in question to free trade across the border.

To take a specific case:

A hypothetical company established in the U. S. — let us call it the Republic Manufacturing Corp. — makes a series of articles called A, B, C, D, E, F, G.

Of these the last G, represents 15% of the company's total output. (The percentage must, of course, be high enough, and stable enough, to make the whole proposition attractive to the Canadians.)

Being desirous of extending its operations to Canada the Republic Corp. finds that there is a considerable tariff barrier to surmount.

It would then propose to the governments in Ottawa and Washington that it would establish a factory in Canada and would allot to that factory the production of all its output of article G for all its markets if the two governments would enact enabling orders establishing free trade in all commodities A to G produced by the corporation.

The initiative throughout the whole of the negotiations would rest on the businessmen concerned.

Knowing their own affairs, presumably they would ask for government action only in cases which made economic and commercial sense.

The first step might be taken by a U. S. company or by a Canadian company, but in most cases it would probably be the result of a program worked out in co-operation by businessmen on both sides of the line.

Now, obviously, the scheme would work only if both governments were prepared to make it work.

The Canadian government would probably refuse to agree to the proposal in the case of any commodity already being produced in significant quantity by existing Canadian industries.

But there are many fields in which no such conditions exist, and the principle could be applied with particular prospects of success in the case of new inventions or new discoveries.

For example, it might be argued that manufacturing Republic's G in Canada for the whole North American market, and allowing A, B, C, D, E, F to come in duty free, while denying free access to the Canadian market for similar products made by competing firms in the U. S., would be unfair.

The obvious answer, of course, would be that if other companies feel that they are being placed at a disadvantage in the Canadian market they can obtain similar free access if they also will assign a suitable part of their over-all production to a factory established in Canada.

Another way in which the policy might work would be for a U. S. company to enter into arrangements with an already existing Canadian producer in the same general field and allocate to the Canadian company a suitable proportion of its U. S. market.

Again it has been suggested that such a scheme by which certain U. S. manufacturers would be given free access to the Canadian market, and Canadian products free entry into the U. S., would be contrary, because it would be discriminatory, to the principles to which Canada has subscribed which underlie GATT — the General Agreement on Tariffs and Trade.

Here again the answer is clear.

The Canadian offer of selective free trade based on shared production would not be confined to our commerce with the U. S.

Under the scheme I have described any U. K. or French, or Mexican, or Japanese company that would be prepared, with the approval and co-operation of its government, to give a fair proportion of its market in certain clearly specified items to a factory established in Canada would enjoy the same privileges as any U. S. producer.

Now I am not so naive as to believe that this proposal can be adopted quickly and easily, or that it is without difficulties and complications — some of which I may well have overlooked.

Nor do I think that it is universally applicable to all branches of industry.

Indeed its range of practicality may be sharply limited.

But even if it should work in only one case Canada would to that extent be benefited.

I am myself convinced that it can be much more widely applied.

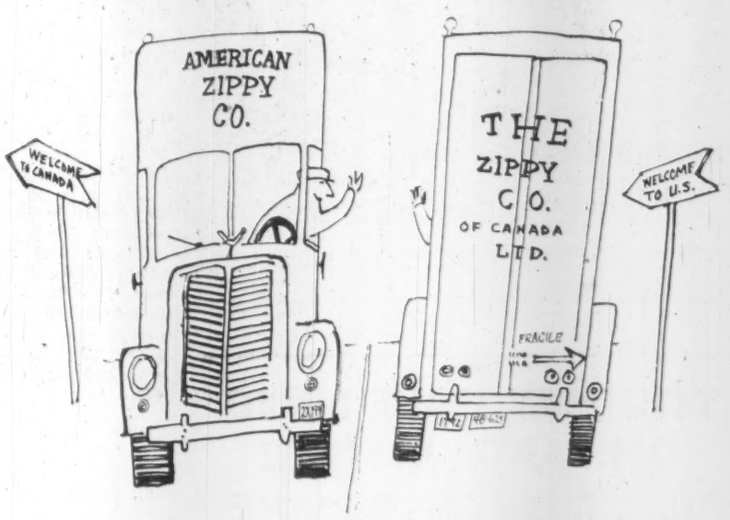
It does seem to me that this idea is of sufficient importance and significance to justify a very careful review of its possibilities by both industry and government.

Anything that can increase Canada's productive capacity and related sales abroad will be of benefit to all Canadians.

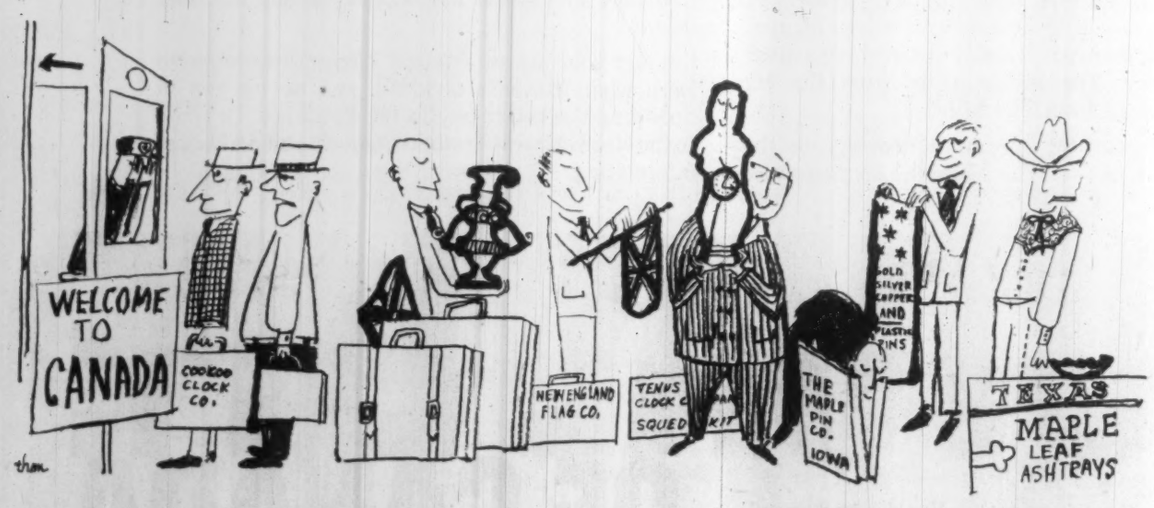
The idea of selective free trade if intelligently and effectively applied might well have this effect.

Here is an opportunity to display some of the imagination and initiative that we like to think are Canadian characteristics but which, in relation to our foreign trade, have not been notably conspicuous.

Dr. Keenleyside is chairman of the British Columbia Power Commission and adviser to the B. C. government on development. Until his appointment a year ago he was Under Secretary of Public Administration for the United Nations at New York. He has had an outstanding career in Canada's diplomatic service and has held several senior government posts.



"THE IDEA, in brief, was that each major company . . . should divide its production by allocating the manufacture of certain specific models exclusively to a Canadian factory . . ."



UNDER ECONOMIC UNION, "Canada would be swamped with U. S. products, including a great many that I consider cheap and nasty, which the present tariff helps to keep out . . ."

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Paper Mills Bid For Sunday Work

Newsprint-makers east of the Rockies will argue an urgent economic need for seven-day operation . . .

MONTREAL (Staff) — Canadian newsprint-makers are going to try to add $200 million worth of "new" capacity without investing a cent in equipment.

They are going to argue that there are urgent economic reasons for allowing mills east of the Rockies to operate seven days a week.

Result would be an increase in capacity estimated as high as 750,000 tons annually.

Right now, a variety of pressures from unions, politicians, and religious groups prevents more than 85% of the huge Canadian industry — largest in the world, by far — from operating continuously.

Fearing an intensified cost-price squeeze, newsprint executives have become restive with the ban. Now they are beginning to speak out against it.

Consolidated Paper Corp. President George Hobart told his firm's annual meeting that the limited operating week now could seriously limit Canada's competitive ability.

Earlier (FP, Feb. 27), Elliot M. Little, chairman of two newsprint making firms **(Anglo-Canadian and Anglo-Newfoundland),** made a strong plea for Sunday work.

More such requests — in public and otherwise — are likely.

It's estimated that continuous operation would add between 500,000 and 750,000 tons to Canada's annual capacity of 7.6 million tons. The addition of 700,000 tons would be an impressive 4.3% of the free world total.

It would cost up to $200 million to add this much capacity in new mills and paper machines.

These are the advantages of seven-day operation, says the industry:

- **It will enable companies to conserve capital,** while adding to their ability to compete in increasingly competitive foreign markets — where almost all our newsprint is sold.
- **By holding down costs** it would remove some of the pressure to increase prices.

An increase in the newsprint price is always highly controversial. Yet executives are virtually unanimous that big capital expenditures for new capacity would make higher prices an urgent necessity (FP, March 26).

- **It will remove a considerable disadvantage.** Mills in British Columbia, the U. S. and many countries are allowed to operate continuously.

Hobart says:

"There is a possibility that plans elsewhere (than in Canada) for newsprint plant construction which had been held in abeyance may have been reactivated by the recovery of 1959.

"If so, another wave of additions to world supply may come upon us in about 1961 or 1962 unless Canadian capacity is increased.

"This could be achieved without the investment of a single additional dollar if all Canadian mills were permitted and prepared to operate seven days a week."

Point to remember:

This doesn't mean employees have to work seven days. The five-day, 40-hour week is common in seven-day operations.

NEW VOTE OFFICER

From Our Own Correspondent

FREDERICTON—York County sheriff, E. M. Lyons has been appointed New Brunswick's first chief electoral officer. Lyons for the past 12 years has served as provincial returning officer for York County and returning officer for the York-Sunbury federal riding.

Hard-Pressed Fishermen In for More Competition

The already hard-pressed Canadian fisherman is in for even stiffer competition in world markets.

And he's also feeling increasing competition in fishing grounds off Canadian shores.

After a national tour of the industry, Roger T. Hager, president of Fisheries Council of Canada, told the council's annual meeting in Vancouver that he was "somewhat pessimistic".

Major producing countries, he said, were intensifying their efforts. Canadian costs were high, both for labor and equipment.

Yet we must sell two-thirds of our catch in export markets. Hager said the U. S. was our big market, accounting for half the industry's sales dollar.

"The U. S. is becoming an increasingly attractive market for many nations and, because of increased and cheaper production in these other countries, it is becoming a more difficult price market for Canada . . ."

Hager said he expected intensified competition in price.

From 1953 until 1958, he said, world fish output rose 35% from 25 million metric tons to almost 34 million. Canadian production remained roughly constant, being 928,000 metric tons in 1958.

Many fishing nations boosted output substantially.

	1953	1958
	000 metric tons	
Red China	1,900	6,000
Japan	4,522	5,505
Russia	1,983	2,621
India	819	1,064
Spain	635	836
Peru	148	750
Denmark	343	598
Iceland	425	580
Chile	107	226

"On the East Coast our production is being maintained but Canada is taking a smaller share of fish caught in the northwest Atlantic.

"On the West Coast we are protected to a degree by several international treaties . . ." But there was great pressure to raise prices for the raw product and this had brought fishing company profits to the vanishing point.

Hager said either something should be done to cut cost of building fishing vessels in Canada or import restrictions on such ships should be reduced.

Shell Canada Sales Up 14%

Sales of major products of **Shell Oil Co. of Canada** increased approximately 14% in 1959, compared with an industry increase of 9%.

Middle distillates and asphalt sales made the major contributions to these increases, 1959 annual report of **Shell Oil Co.** in the U. S. states.

In January, 1960, Shell acquired a majority of the voting stock of **North Star Oil Ltd.**

North Star, with its subsidiary, **Cree Oil of Canada,** is an integrated oil company with headquarters in Winnipeg and oil and gas interests in Western Canada.

At Montreal East refinery, crude oil throughput was 2.6% lower than for 1958 due to the expiration of a process agreement, the report stated.

At Shellburn, B.C., refinery throughput decreased 4%, reflecting the effect of strikes in some of the major industries in the province.

In spite of depressed market conditions, gross crude oil production increased 5% to 14,700 b/d, compared with 14,000 b/d during 1958. Current production is running at about 50% of company's potential.

Exploratory drilling in the Alberta Foothills again showed successful results, as significant gas discoveries were made on company's large land holdings at Carbondale and at Burnt Timber.

In northern Alberta, the company made promising discoveries of gas at Worsley and of oil at Virginia Hills. Company has substantial holdings in each of these areas.

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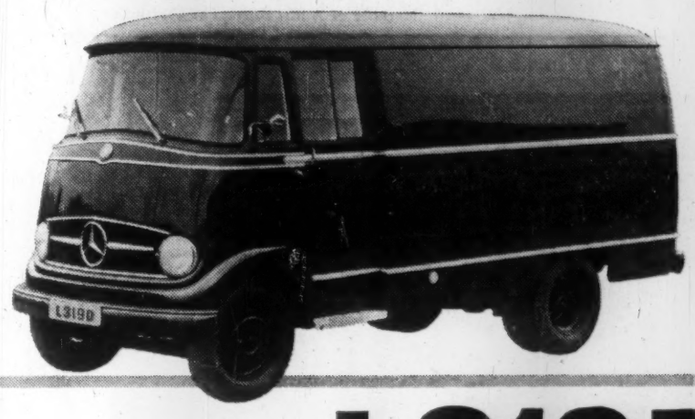

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ANNOUNCEMENT

DOMINION FORGE LIMITED

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R. T. Herdegen, president and general manager of Dominion Forge Limited, has been elected chairman of the board effective July 1, 1960. Mr. Herdegen has headed Dominion Forge since 1923 and has served the company for more than 46 years. Succeeding him as president and general manager will be J. Dalrymple who has been assistant general manager and has been associated with Dominion Forge Limited for more than 38 years.

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U.S.-India Wheat Deal Hits Canada

From Our Own Correspondent

WASHINGTON — The biggest U. S. farm surplus deal ever made was completed at mid-week.

India is getting $1,300 million worth of surplus U. S. food grains, almost all of it wheat.

Some will be used immediately, the rest stockpiled.

It will be delivered over the next four years.

India is paying for the grain in rupees, most of which will be loaned back to India for economic development.

Canada and Australia are vitally affected by this huge deal since both countries sell considerable wheat to India.

Last year Canada exported almost 10 million bu. of wheat to India, valued at over $17 million.

In 1958 shipments totaled slightly more than 25 million bu., valued at almost $40 million. In 1957 we exported 3.6 million bu., valued at $5.3 million.

Australia is most affected and is most unhappy.

While Canada is far from enthusiastic about the deal, our concern has been moderated by the insistence that the deal include a provision calling for India to continue buying for cash her "usual" commercial grain imports.

The U. S. tagged these imports at 400,000 tons annually from the U. S., Australia and Canada.

India wanted to slice this figure in half, but Washington has been insisting on the 400,000-ton rate.

"In practical terms," Indian food Minister Sadashiv Ptail commented in Washington this week as the negotiations were completed, "It means that, whereas, at present, about one ship a day sails from an American port carrying food to India, in the future two food ships a day will sail."

METAL DETECTOR

Measurement Engineering Ltd., Arnprior, Ont., has a metal detector for the pulp and paper and lumber industries, which it says saves on chipper maintenance and saw sharpening time.

Dads are learning fast
about low net cost life insurance, too

Arithmetic can be fun, especially if it saves you money. If you do a little arithmetic with your Mutual Life of Canada man, you'll find it can save you a great deal of money. The saving arises from the big dividends you get from The Mutual.

The cost of your life insurance depends on the dividends you receive. The Mutual Life Assurance Company of Canada has an outstanding dividend record.

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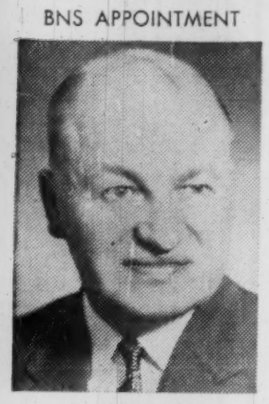
ANNOUNCEMENT

BNS APPOINTMENT



HARRY R. YOUNKER

The Bank of Nova Scotia announces the appointment of Harry R. Younker as Chief Supervisor. Mr. Younker was born at Montague, Prince Edward Island.

He has served the bank in various capacities, coast to coast in Canada and New York. Prior to his present appointment he was a supervisor at General Office, Toronto.

Montreal Metro Issue Offered

MONTREAL (Staff)—An issue of $8.4 million one-to-30-year serial debentures of **Montreal Metropolitan Corp.** is being offered by a syndicate managed by **Dominion Securities Corp.**

The one-to-10 year 6% debentures are being offered in proportional amounts for each year at par.

The 6% debentures maturing 1970-79 are offered individually or proportionally to yield 6.15%. Proportional price is 98.56.

The 5½% 1980-89 maturities also offered individually or proportionally to yield 6.10%.

Average price is 92.40.

Company Reports

Merchandising

REITMAN'S (CANADA) LTD., Montreal, consolidated net profit of $758,028 for year ended Jan. 31, 1960, was 5% higher than previous year's $721,354.

Sales and earnings were the highest in company's history, President Louis Reitman says. Company and its wholly-owned subsidiaries showed substantial growth during the year.

Capital expenditures totaled $707,259 ($445,437 year before).

Nineteen new stores were opened, many in suburban shopping centres, others in cities in which company was not formerly located. Five existing units were modernized and two small stores were closed.

Completion of the Vancouver store resulted in operations extending from coast to coast. At year end, 121 stores were in operation.

Results for the latest year do not fully reflect potential earnings due to heavy pre-opening expenses of the new stores, as well as the fact that many had not operated a complete year, Mr. Reitman points out.

It is anticipated that by 1961, Reitman's will be operating 150 stores. By 1963, this number should be increased to 200.

CONS. INCOME ACCOUNT

Years Ended Jan. 31:	1960	1959
Net earnings	$1,622,550	$1,484,631
Less: Deprec.	170,032	147,791
Bond disc. & exp.	1,930	2,097
Income tax	692,560	613,389
Net profit	758,028	721,354
Less: Dividends	341,792	311,325
Surplus for year	416,236	410,029

Note—For tax purposes co. intends to claim depreciation in excess of that recorded in accts.; applicable tax reduction amounts to approx. $206,000.

Earnings per Share and Dividend Record:		
Common (old)		$1.73
Paid	0.45	0.20
New com. & cl. A	0.82	0.60
Common (new)		(0.78)
pd.	0.15	1/10 stk.
Class A paid	0.07½	
Shares o/s as at Jan. 31, 1960:		
Common, old, n.p.v.		417,100
Common, new, n.p.v.	840,000	
Class A, n.p.v.	84,000	

CONDENSED CONS. BALANCE SHEET

As at Jan. 31:	1960	1959
Cash & Dom. bds.	$906,141	$1,072,527
Invest.		64,292
Accts., etc., rec.	45,059	40,913
Inventories	2,232,027	1,914,044
Prepd exps.	63,506	78,785
Total curr. assets	3,246,733	3,170,561
Def. chgs.	43,125	56,960
Fixed assets	2,395,659	1,831,086
Total assets	5,685,517	5,058,607
Accts., etc., pay.	713,911	502,840
Income taxes	353,804	315,410
Total curr. liab.	1,067,715	818,250
Prov. self ins.	50,000	40,000
Funded debt	474,000	550,000
Capital stock	532,571	459,972
Capital surplus	16,348	10,994
Surplus	3,544,883	3,180,391
†After depr. of	1,578,165	1,435,479
Working capital	2,179,018	2,332,311

ZELLERS LTD., Westmount, Que., consolidated net profit of $2,009,117 for year ended Jan. 31, 1960, was 5.9% higher than previous year's $1,896,751.

Sales were a record, increasing by 7%. Shopping-centre store sales accounted for 19.6% of sales in 1959 (17.9% the year before).

Net profit on sales equaled 3.8%, the same as last year.

Inventories increased $707,325 to $5,779,292 as a result of new and enlarged stores.

Retail installment receivables increased to $1,110,000 at year-end from $518,000 a year earlier. Credit facilities we available at 20 stores at year-end, and will be extended to approximately 35 more stores in 1960.

Capital expenditures totaled $1,265,000 mainly for fixtures.

In 1959, five stores were opened and two enlarged. In 1960, 10 new stores will be opened and five more enlarged. Approximately $2 million will be spent on capital expansion in 1960.

Federal Stores Ltd. in Hamilton and Cornwall, Ont., have been closed.

CONS. INCOME ACCOUNT

Years Ended Jan. 31:	1960	1959
	$	$
Sales	53,340,543	49,830,436
Net earnings	4,744,699	4,297,442
Less: Deprec.	735,245	746,623
Debent. interest	170,337	179,068
Prov. for taxes	1,830,000	1,475,000
Net profit	2,009,117	1,896,751
Less: 4½% Pref. divs.	211,535	215,432
Common divs.	900,000	900,000
Surplus for year	897,582	781,319

Note—Cumulative depreciation claimed for tax purposes in excess of amt. shown in the accounts amounted to $1,185,000 and tax reductions applicable thereto to $555,000 as at Jan. 31, 1960.

Times Debent. Interest Earned:		
Before deprec.	27.85	24.00
After deprec.	23.54	19.83
Earnings per Share and Dividend Record:		
Pref.: 4½%	$21.78	$20.08
Paid	2.25	2.25
Common	2.40	2.24
Paid	1.20	1.20
Shares o/s as at Jan. 31:		
4½% Pref., $50 par	92,232	94,445
Common, n.p.v.	750,000	750,000

CONDENSED CONS. BALANCE SHEET

As at Jan. 31:	1960	1959
Cash	$3,080,994	$3,479,354
Govt. bonds, etc.	4,992,647	
Accts. rec., less res.	1,614,904	820,684
Inventories	5,779,292	5,071,967
Prep. exp., etc.	274,913	302,129
Total curr. assets	15,742,750	9,673,534
Pf. stk. purch. fund	100,000	100,000
Fixed assets*	9,955,589	14,480,591
Total assets	25,798,339	24,254,125
Accts., etc., pay.	2,413,105	2,193,676
Inc. tax res.	988,943	671,728
Total curr. liab.	3,402,048	2,865,406
Funded debt	2,740,000	2,880,000
Pens. plan res.	157,800	205,200
Pf. stk. purch. res.	388,400	277,750
Capital stock	7,611,600	7,722,250
Earned surplus	11,498,491	10,303,519
‡Market value	5,014,000	
*After depr. of	6,905,994	6,665,837
Working capital	12,340,702	6,808,128

Oil and Gas

CANADIAN HUSKY OIL LTD., Calgary, Alta., consolidated net loss of $1,211,396 for 1959 was 31.5% lower than 1958's loss of $1,767,548.

Refinery and marketing sales fell 2.7% to $14,124,000. Sales through Husky service stations and bulk plants increased 10% but this was more than offset by lower deliveries of asphalt.

Crude oil production and natural gas sales increased slightly.

Growth expenditures totaled $1,616,000 ($3,188,653 in 1958). Development expenditures are expected to increase in 1960 particularly for construction of gathering and processing facilities associated with natural gas sales from Dick Lake and for development drilling at Savanna Creek.

Expenditures for exploration and marketing expansion are also expected to increase in 1960.

Land interest at the end of 1959 totaled 5,358,667 gross acres, the equivalent of approximately 1,150,533 net acres. In addition company owns over-riding royalty interests in 129,837 gross acres in Alberta, Saskatchewan and British Columbia.

Early in 1960, company acquired leases, reservations and options on an additional 533,308 gross acres.

Net crude oil production increased to 820,529 bbls. not including 138,000 bbl. produced for company in South Sturgeon Lake field.

Drilling activity was below normal due to lack of markets for oil and gas production. Of the 29 gross wells drilled on company's working interest lands, 21 were completed as producers.

Daily crude oil throughput for the three refineries averaged 9,408 bbl. in 1959 (9,484 bbl. in 1958). Decrease was due entirely to below-normal paving asphalt sales.

Shareholders are to be asked at a special meeting to vote on a proposal to offer Canadian Husky common shares for outstanding common stock of **Husky Oil Co.**

Basis of exchange is eight common shares of Canadian Husky for nine shares of Husky Oil.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1959	1958
	$	$
Gross profit	15,355,971	16,078,741
Less: Oper. exp.	14,003,237	14,895,005
Net earnings	1,352,734	1,183,736
Less: Depr.	1,229,448	1,232,207
Deplet.	418,523	628,040
Interest	624,848	571,185
Undev. lease exp. w.o.	525,813	1,200,478
Add: Nonoperating	223,012	565,626
Subsid. tax adj.	11,490	115,000
Net loss	1,211,396	1,767,548
Add: Pref. divds.	214,088	214,089
Deficit	1,425,484	1,981,637
Earnings per Share and Dividend Record:*		
Preferred, $50 par	d$16.98	d$24.77
Paid	3.00	3.00
Common	d0.47	d0.65
None paid.		

*Based on no. of shs. outstanding at year-end.

Shares o/s as at Dec. 31:		
6% Pref., $50 par	71,363	71,363
Common, $1 par	3,036,634	3,036,333

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1959	1958
Cash & Dom. bds.	$3,837,651	$3,542,273
Accts., etc., rec.	3,068,402	2,913,821
Inventories	3,560,171	3,067,512
Prep. exp.	281,336	193,005
Total curr. assets	10,747,560	9,716,611
Misc. assets	1,611,389	1,988,142
Wells†	11,998,390	12,396,317
Undevel. lands	1,961,024	2,054,363
Plant, prop. & equip.*	7,037,842	7,802,155
Goodwill	470,760	470,760
Total assets	33,826,965	34,428,348
Accts., etc., pay.	1,555,969	1,805,468
Long-term debt due	815,430	885,732
Total curr. liabs.	2,371,399	2,691,140
Long-term debt	14,572,440	13,431,665
Capital stock	6,624,984	6,624,683
Capital surplus	14,608,281	14,819,583
Deficit	4,350,119	3,138,723
‡After depl. & depr. of	2,981,706	2,472,411
*After deprec. of	4,526,429	3,534,514
Working capital	8,376,161	7,025,471

Financial

SUPERVISED AMERICAN FUND, Montreal, net income was $4,388 in 1959, compared with $3,911 for 13 months ended Dec. 31, 1958.

DISTRIBUTION ACCOUNT

Year Ended Dec. 31:	1959	‡1958
Gross income	$7,936	$7,628
Less: Oper. exps.	2,461	2,573
U. S. taxes	1,087	1,144
Net income	4,388	3,911
Less: Dividends	4,048	5,637
‡13 months.		
Surplus for year	340	▲1,726
▲Deficit.		

Earnings per Unit and Distribution Record:*		
Unit	$0.13	$0.08
Paid	0.12	0.12

*Based on number of units outstanding as calculated from distributions paid.

Units o/s at Dec. 31:		
Units	32,222	38,866

BALANCE SHEET

As at Dec. 31:	1959	1958
Cash	$6,453	$51,972
Accts. rec., etc.	579	583
Invests., mkt. val.	230,640	227,308
Total assets	237,672	279,863
Units issued	169,138	228,557
Distribution a/c	▲2,234	▲542
Capital surplus	70,768	51,848
Net assets per sh.	7.38	7.25

▲Deficit.

SUPERVISED INCOME FUND, Montreal, net income was $50,198 in 1959, compared with $45,892 for 13 months ended Dec. 31, 1958.

DISTRIBUTION ACCOUNT

Year Ended Dec. 31:	1959	‡1958
Gross income	$63,017	$56,944
Less: Oper. exps.	12,819	11,052
Net income	50,198	45,892
Less: Dividends	52,579	57,506
Deficit for year	2,381	11,614
‡13 months.		

Earnings per Unit and Distribution Record:*		
Unit	$0.16	$0.14
Paid	0.17	0.17

*Based on number of units outstanding as calculated from distributions paid.

Units o/s as at Dec. 31:		
Units	312,509	294,900

BALANCE SHEET

As at Dec. 31:	1959	1958
Cash	$2,548	$126,393
Accts. rec., etc.	10,907	7,954
Invests., mkt. val.	1,201,557	1,067,477
Total assets	1,215,012	1,201,824
Units issued	1,255,835	1,113,229
Distribution a/c	▲11,531	▲1,404
Capital surplus	▲29,292	89,999
Net assets per sh.	3.89	4.08

▲Deficit.

SUPERVISED GROWTH FUND, Montreal, net income was $11,664 in 1959, compared with $12,162 for 13 months ended Dec. 31, 1958.

DISTRIBUTION ACCOUNT

Year Ended Dec. 31:	1959	‡1958
Gross income	$17,560	$19,077
Less: Oper. exps.	5,896	6,915
Net income	11,664	12,162
Less: Dividends	10,863	9,778
Surplus for year	801	2,384
‡13 months.		

Earnings per Unit and Distribution Record:*		
Unit	$0.04	$0.03
Paid	0.035	0.03

*Based on number of units outstanding as calculated from distributions paid.

Units o/s as at Dec. 31:		
Units*	312,079	328,659

BALANCE SHEET

As at Dec. 31:	1959	1958
Cash	$6,225	$1,039
Accts. rec., etc.	2,771	2,470
Invests., mkt. val.	541,694	610,073
Total assets	550,690	613,582
Units issued	564,599	598,266
Distribution a/c	▲3,398	1,801
Capital surplus	▲10,311	13,515
Net assets per sh.	1.76	1.86

▲Def.cit.

CHANGE AGENCIES

Grant Advertising Ltd., Toronto, will handle proprietary drug and veterinary product advertising for the Canadian operating firms of the world-wide **Nicholas International Ltd.** Canadian advertising is being consolidated with the Grant agency which will take over from three other agencies previously handling various Nicholas lines.

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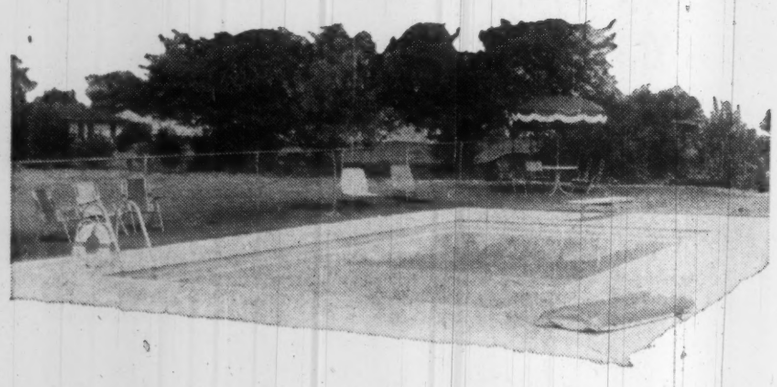

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STEEL REINFORCED CONCRETE CONSTRUCTION ASSURES LIFE-TIME DURABILITY. ALL FOUR OAKS EQUIPMENT IS FULLY GUARANTEED.

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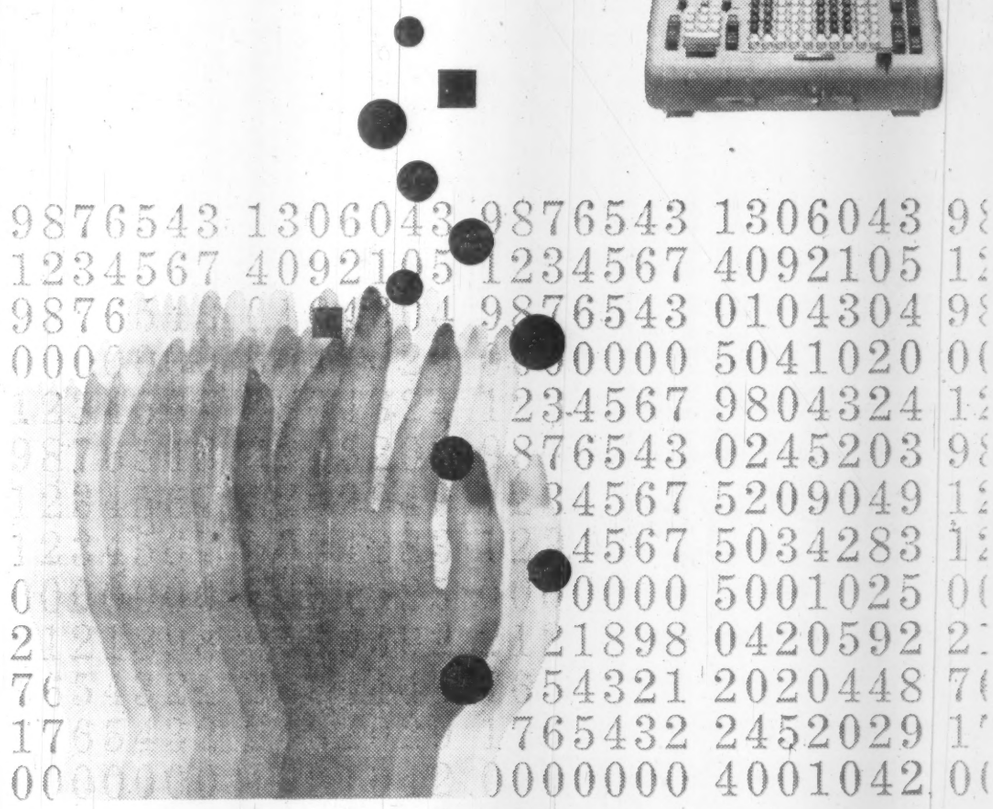
Approximate size of backyard .....X.....

how fast is accurate?



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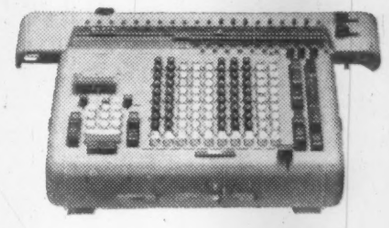

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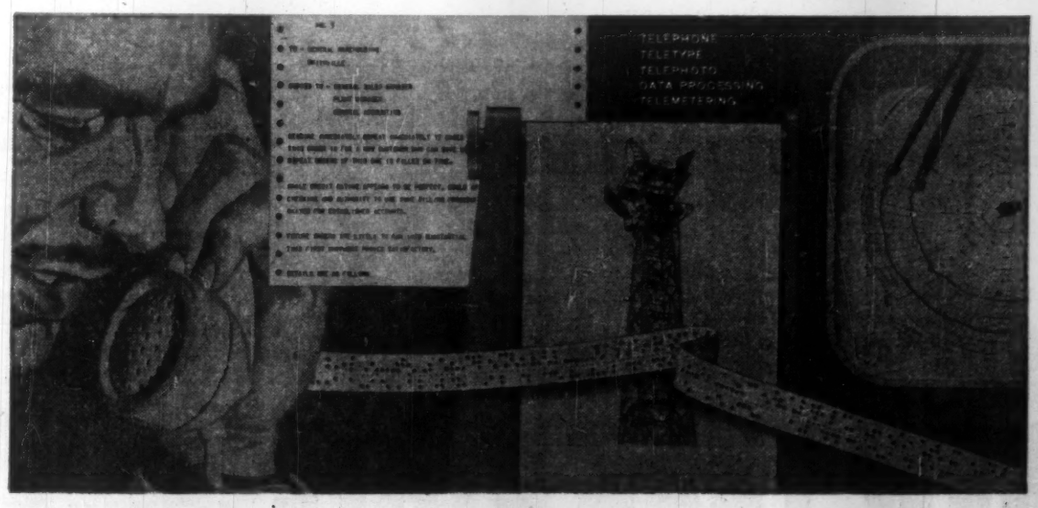

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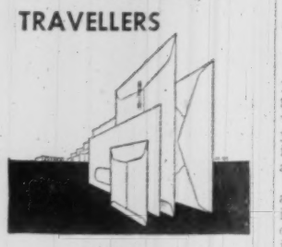

ANNOUNCEMENT

JOINS AIR FRANCE

G. MAURICE GAUTHIER

The appointment of G. Maurice Gauthier as Public Relations Manager of Air France (Canada) has been announced by Jean Ponsot, Canadian General Manager.

Formerly Public Relations Manager for MacLaren Advertising Ltd., Montreal, Mr. Gauthier brings to his new post broad experience in the public relations and advertising fields acquired in large advertising agencies, the automotive industry and cultural organizations in Montreal, Windsor and Toronto.

Company Reports

Amusements

UNITED AMUSEMENT CORP., Montreal, consolidated net profit of $266,089 for year ended Jan. 2, 1960, was 26.6% higher than previous year's net of $210,257. Consolidation in the latest fiscal period includes all subsidiaries 50% or more owned.

During the year, company acquired a large but not controlling interest in **Consolidated Theatres Ltd.** which operates major downtown theatres in Montreal and others in Quebec.

INCOME ACCOUNT

Years Ended:	Jan. 2 †1960	Jan. 3 1959
Net earnings	$642,996	$458,393
Less: Deprec.	175,615	123,327
Int. chgs.	25,233	24,247
Bond exp.	3,528	3,528
Minority int.	11,866	.....
Income tax	160,665	97,034
Net profit	266,089	210,257
Less: Dividends	189,721	161,658
Surplus for year	76,368	48,599

†See footnote † under balance sheet.

Times All Interest Earned:		
Before deprec.	25.48	18.91
After deprec.	18.52	13.82
Earnings per Share and Dividend Record:		
Cl. A & B	‡$0.91	$0.65
Paid	0.50 + 0.15	0.50

‡Based on shs. o/s in hands of public.

Shares o/s:		
Class A, n.p.v.	‡242,618	270,832
Class B, n.p.v.	‡49,236	52,484

‡Excluding 28,214 Cl. A and 3,248 Cl. B shs. held by subsidiaries.

CONDENSED BALANCE SHEET

As at:	Jan. 2 †1960	Jan. 3 1959
Cash	$14,250	$246,439
Accts., etc., rec.	59,324	76,046
Co.'s bonds	.....	116,359
Mkt. sec.‡	1,997,926	1,486,915
Inventories	77,339	59,784
Total curr. assets	2,148,839	1,985,543
Def. chgs.	198,965	193,726
Inv. in assoc. cos.	859,572	1,014,907
Sale of props.	117,500	.....
Lease improv.▲	43,945	.....
Fixed assets*	3,048,045	2,347,154
G'will & franchise	234,669	1
Total assets	6,251,535	5,541,331
Accts., etc., pay.	202,188	175,650
Bank loan	73,837	.....
Total curr. liab.	276,025	175,650
Funded debt	459,000	600,000
Minority int.	26,758	.....
Ins. res.	118,181	100,623
Capital stock	1,610,251	1,849,725
Capital surplus	93,336	93,336
Surplus	3,667,984	2,721,997
*After depr. of	4,554,487	3,015,182
▲After w/o of	33,682	.....
‡Market value	1,727,326	1,321,491

†Consolidated to include accounts of subsidiaries in which co. owns 50% or more of voting stock.

Working capital 1,872,814 1,809,893

Contingent liability at Jan. 2, 1960, re guarantees of indebtedness of associated company, amounted to $127,966.

Utility

LOWER ST. LAWRENCE POWER CO., Rimouski, Que., net profit of $577,835 in 1959 was 13.9% higher than 1958's $507,419.

Revenue from sales of power increased by 6.4% over 1958. This resulted from sales to new customers and from increased sales to existing residential, farm, commercial and industrial customers.

Revenue from sales to other utilities decreased by 4.3%.

The amount paid for power purchased increased from $410,171 to $426,406 in 1959. Sales of electricity rose by 8.5% and reached the total of 121 million kwh.

At year-end company provided service to 32,360 customers, 555 more than a year earlier. Sales to residential and farm customers continued their rate of growth of recent years. Residential customers, the largest group, increased their total purchases in 1959 by 10% and farm customers by 8.9%.

Capital expenditures in 1959 amounted to $1,057,493. Largest single project undertaken was a 161 kv transmission line of 32 mi. from Les Boules to Rimouski. A total of 31.2 mi. of distribution lines was built in rural areas.

INCOME ACCOUNT

Years Ended Dec. 31:	1959	1958
Gross revenue	$3,409,099	$3,163,066
Net earnings	1,792,459	1,619,675
Less: Deprec.	504,514	467,188
Int. chgs.	188,894	187,938
Amort. fin. exp.	12,586	12,586
Inc. taxes	508,630	444,544
Net profit	577,835	507,419
Less:		
4½% Pref. divds.	99,764	101,277
Com. divds.	200,000	200,000
Surplus for year	278,071	206,142

Note—For income tax purposes the company is claiming the maximum allowance for depreciation, which exceeds company's provision, thereby decreasing taxes payable. This amount is shown on the balance sheet as a tax provision for future years.

Times All Interest Earned:		
Before deprec.	9.49	8.62
After deprec.	6.82	6.13
Earnings per Share and Dividend Record:		
4½% Pref.	$5.28	$4.56
Paid	0.90	0.90
Common	2.39	2.03
Paid	1.00	1.00
Shares o/s as at Dec. 31:		
Pref., $20 par	109,504	111,384
Common, n.p.v.	200,000	200,000

CONDENSED BALANCE SHEET

As at Dec. 31:	1959	1958
Cash	$198,309	$210,408
Accts. rec. less res.	1,484,902	539,164
Inventories	344,193	426,419
Prep. exp., etc.	13,213	7,319
Total curr. assets	2,040,617	1,183,310
Misc. assets	113,897	102,128
Financ. exp. less w/o	179,211	135,237
Fixed assets	15,617,358	14,560,866
Total assets	17,951,083	15,981,541
Bank loan	825,000	485,000
Accts., etc., pay.	647,041	636,364
Total curr. liab.	1,472,041	1,121,364
Def. liabs.	1,951,443	1,983,898
Def. inc. tax	281,920	248,530
Deprec. res.	4,049,489	3,620,396
Other reserves	256,311	210,945
Funded debt	5,135,000	4,232,000
Capital stock	3,190,080	3,227,680
Surplus	1,614,799	1,336,728
Working capital	568,576	61,946

Public Utilities

JAMAICA PUBLIC SERVICE LTD., Montreal, net profit of $324,065 for 1959 was 22.9% higher than 1958's net of $263,647.

Operating revenues of the subsidiary increased 14.8% to £2,108,790. Sales of electricity were up 19.9%.

Capital expenditures totaled £1,565,212. Included were the completion of the Maggotty hydro project and connection to the grid, work on the Hunts Bay No. 4 unit, and extension of service to new areas.

Modification of the Jamaican tax laws in 1959 permits the subsidiary to deduct, from taxable income, investment allowances amounting to 20% of construction expenditures.

In August, 1959, £1,250,000 series K 6½% debentures, due 1984, were issued to finance construction program.

To provide funds for standardization of frequency, subsidiary has arranged tentative financing of up to £3.5 million with **Colonial Development Corp.** of London. In return, company has agreed to sell to Colonial 25,000 common shares at $30. Financing is dependent upon adoption of legislation allowing surcharge on customers' bills sufficient to retire debt.

President R. N. Benjamin reports that company expects to issue warrants to common shareholders to subscribe for 40,500 common shares on a one-for-10 basis. Proceeds will be used to purchase ordinary shares of the subsidiary.

INCOME ACCOUNT

Years Ended Dec. 31:	1959	1958
Net income	$526,458	$428,191
Less: Inc. taxes	202,393	164,544
Net profit	324,065	263,647
Less: Divds.	324,000	232,875
Surplus for year	65	30,772
Earnings per Share and Dividend Record:		
Common (new)‡	$0.80	$0.65
Paid	0.80	0.17½
Com. (old): Paid	.....	1.20

‡Following 3-for-1 stock split.

Pro Forma Earnings Based on Subsid. Earnings:		
Common	$3.10	$2.60
Rate of Conversion to £	$2.67	$2.71
Shares o/s as at Dec. 31:		
Common, n.p.v.	405,000	405,000

CONDENSED BALANCE SHEET

As at Dec. 31:	1959	1958
Cash, treas. bills	$43,238	$75,343
Accts., etc., rec.	7,509	6,825
Total curr. assets	50,747	82,168
Inv. J.P.C. Co. Ltd., etc.	1,426,895	1,395,439
Total assets	1,477,642	1,477,607
Total curr. liabs.	264	794
Capital stock	1,033,783	1,033,783
Surplus	443,595	443,530
Working capital	50,483	81,374

Financial

GENERAL MOTORS ACCEPTANCE CORP. OF CANADA, Toronto, net profit of $2,699,836 for 1959 was 16.2% lower than 1958's net of $3,462,392.

Retail receivables acquired in 1959 totaled $261,964,000 ($254,376,000 in 1958) and wholesale, $436,376,000 ($409,015,000).

INCOME ACCOUNT

As at Dec. 31:	1959	1958
Net earnings	$18,033,604	$17,699,627
Less: Int. & disc.	12,167,587	11,377,538
Income taxes	2,966,181	2,859,697
Net profit	2,899,836	3,462,392
Less: Dividends	2,700,000	3,150,000
Surplus for year	199,836	312,392
Times Interest & Discount Earned:		
After deprec.	1.48	1.36
Shares o/s at as Dec. 31:		
Common, $100 par	150,000	150,000

CONDENSED BALANCE SHEET

As at Dec. 31:	1959	1958
Cash	$268,443	$276,791
Govt. bonds	29,484,810	.....
Notes & bills rec. (net)	258,784,187	265,773,746
Accts. rec.	735,762	486,594
Total curr. assets	289,274,200	266,537,131
Unamort. disc.	3,323,657	2,344,547
Comm. prod. leased	269,317	288,932
Misc. assets	62,387	56,093
Fixed assets‡	412,977	444,488
Total assets	293,342,538	269,671,191
Notes & loans p.	142,378,971	115,244,586
Accts. payable	23,488,333	27,504,269
Taxes payable	1,541,374	1,687,617
Interest payable	895,000	895,000
Total curr. liabs.	168,803,678	145,331,772
Employees' benefit res.	72,042	72,437
Funded debt	107,500,000	107,500,000
Capital	15,000,000	15,000,000
Surplus	1,966,818	1,766,982
‡After depr. of	870,465	856,680
Working capital	120,470,522	121,205,359

Electrical Equipment

CANADIAN ICE MACHINE CO., Toronto, consolidated net profit of $49,572 for 1959 was 17% lower than 1958's net of $59,712.

Volume of business booked in 1959 was a record, and year-end backlog was highest in company's history.

Company was held responsible for a fire which destroyed cold storage plant in Trenton and settled for $100,000. President H. V. Shipley reports that company now has adequate insurance.

Activities of subsidiary **Ryan Brothers Equipment Ltd.** have been diversified following deterioration of market. This subsidiary will enter air-conditioning field, expand restaurant equipment sales and start a contract maintenance department.

Company has arranged with **York Corp.** of the U. S. to fabricate and/or assemble York air-conditioning units for the Canadian market. The additional volume is expected nearly to double last year's production.

Refrigeration division increased its volume 20%.

Record operating performance of subsidiary **Shipley Co. of Canada** resulted from unusually hot summer.

President Shipley anticipates that operations in 1960 should result in "very satisfactory profit."

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1959	1958
Gross revenue	$8,298,938	$6,306,550
Net oper. inc.	211,935	.....
Net earnings	127,889	159,104
Less: Depr. & amort.	38,540	34,040
Debent. int.	17,577	20,052
Add: Profit sale f.a.	20,875	.....
Less: Loss fire damage	104,921	.....
Taxes	22,200	45,300
Net profit	49,572	59,712
Less: Cl. A divds.	20,000	20,000
Com. divds.	5,000	5,000
Surplus for year	24,572	34,712
Earnings per Share and Dividend Record:		
Class A‡	$1.98	$2.39
Class A†	n.a.	0.90
Paid	0.80	0.80
Common†	0.59	0.79
Paid	0.10	0.10

‡Before (after) participation.

Shares o/s at Dec. 31:		
Class A, $1 par	25,000	25,000
Common, $1 par	50,000	50,000

CONDENSED CONS. BALANCE SHEET

At as Dec. 31:	1959	1958
Cash	$169,532	$1,060
Accts. rec., less res.	1,514,334	1,223,359
Inventories	943,053	996,908
C.S.V. Life insur.	13,196	9,051
Prep. exps., etc.	62,172	55,547
Total curr. assets	2,702,287	2,285,925
Misc. assets	29,529	44,579
Fixed assets*	228,336	237,674
Total assets	2,960,152	2,568,178
Due bank	617,091	402,428
L.t. debt due	22,448	48,012
Accts., tax., etc., p.	946,358	741,615
Total curr. liabs.	1,585,897	1,192,055
Long term debt	316,350	341,623
Prem. on stk.	91,500	91,500
Capital stock‡	75,000	75,000
Earned surplus	891,405	867,998
*After depr. of	372,812	354,013
Working capital	1,116,390	1,093,870

Contingent liability as at Dec. 31, 1959, included $893,000 re notes under discount.

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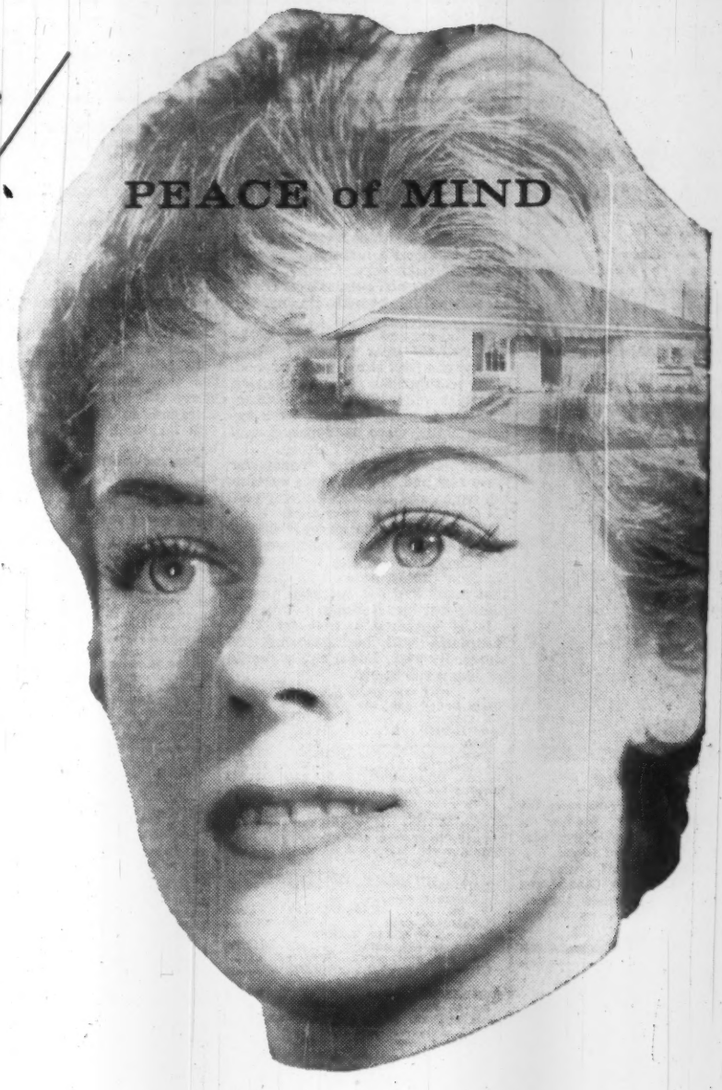

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Announcement

Mr. J. C. Sanderson, President of Canadian Wallpaper Manufacturers Limited announces with regret the resignation of Mr. T. A. G. Staunton as a director of the Company.

Mr. Stanley W. Wilbur has been appointed Vice President and Mr. W. D. Glendinning and Mr. C. F. Carroll have been elected directors.

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KW-8677-6A

Encourage Deeper Oil Exploration

Saskatchewan's new oil and gas regulations give oil industry more freedom in exploratory field . . .

From Our Own Correspondent

REGINA — Saskatchewan's petroleum and natural gas regulations have been amended by order-in-council with the announced intention of encouraging exploration of the older potential oil-bearing formations in the province (Devonian or lower).

Leaders in the industry are reluctant to comment since the effect of the amendments is capable of various interpretations.

Changes announced by Mineral Resources Minister J. H. Brockelbank on April 19 provide:

- **Exploratory permits** will now cover a five-year period.
- **Cost of a deep-test well** may be applied to the entire work commitments for the life of the permit.
- **Royalty-free privileges** for one deep test discovery well will be permitted within the boundaries of each area carrying a minimum of 75,000 acres.

Intention of the amendments, which are on a one-year trial basis, is to give the oil industry more freedom of operation in the exploratory field and to give operators two years in the low rental bracket with a low work commitment without compulsory drilling.

The incentive amendments include 100% carryover of expenditure for deep tests.

This is interpreted to mean that if more than the required expenditures for any one year are spent, the balance may be carried forward and credited against requirements in the following years during the life of the permit.

The amendments cover only permits issued between April 1, 1960 and March 31, 1961. They are not retroactive.

Amendment of these regulations follows closely on the dropping of more than one million acres of permit and lease acreage held by companies active in the province.

Also preceding the changes were representations and discussions with individual companies and with the Saskatchewan division of the Canadian Petroleum Association.

The CPA comment on the changes:

"We will always welcome changes in the regulations which are designed to give greater encouragement to oil exploration and deep drilling progress. These may prove to be some advantage.

"We have expressed the view, however, that far greater encouragement could be given to the oil industry in Saskatchewan by:

- "**Withdrawing** the one per cent road allowance oil tax.
- "**Giving** a firm guarantee that in future all crown lands will be disposed of through competitive bidding.
- "**Ensuring** a wellhead price for gas that would offer encouragement for companies to search for this product in the province."

It is understood that these points were made to the government in discussion of the proposed amendments prior to the order-in-council, but no commitments were made.

The amendments introduced by the department include the following changes:

- **Life of the permits** issued during the trial period will be five years instead of the three years now in force.
- **Under the amendments**, first and second year rentals will be 2c an acre, third year, 5c an acre and fourth and fifth year, 10c an acre. Previously, first year rentals were 2c an acre, second year, 5c, and third year, 10c an acre.
- **The deposit** covering minimum expenditures must be made to the department within 90 days of the commencement of the first year of the permit instead of after the first year. This is designed to reduce the holding of acreage without work.
- **Under the old regulations**, minimum work expenditures began at 20c an acre or a minimum of $10,000, whichever was the greater, for the first year.

Drilling requirements came in the second year with requirements of 40c an acre with one-half, or a minimum of $15,000 to be spent in drilling operations.

The third year was 60c an acre with the same drilling requirements.

Under the amended regulations, it will be 20c an acre during the first and second year of the permit, or a minimum of $10,000, whichever is the greater, and no drilling commitment.

It is 40c an acre during the third year with at least one-half the sum or $15,000 minimum to be spent in drilling operations.

In the fourth and fifth years expenditure requirement is 60c an acre with one-half the amount or a minimum of $15,000 to be spent in drilling.

- **The amendments also introduce** a 100% carryover of expenditures for a deep test approved by the minister, or in other words, any excess in any given year can be applied against following yearly requirements.
- **The amendments also introduce** the clause covering royalty-free production for oil produced from a wildcat discovery well from a formation 100 ft. below the top of the Devonian in a well drilled to the pre-Cambrian, or other formation approved by the minister, in lands covered by the permit and providing the permit area is not less than 75,000 acres.

It is doubtful whether any great rush will follow the announcement of these amendments as in many cases, budgets for the 1960 program have already been fixed.

Observers say that the royalty-free clause could mean a great deal, or it could prove to be meaningless.

If the discovery is made in the very early life of the permit, the possibility of sufficient development drilling and the establishment of a market for the new crude and transportation facilities could make it pay off.

If, however, the discovery did not come until the fourth or even fifth year of the permit, which would be closer to the normal, it is problematical whether sufficient, if any, oil would move out of the discovery to attach any real dollar value to the clause.

The amendments are, however, admitted to be a step in the right direction.

PR Group Elects Ben G. Viccari

Ben G. Viccari, public relations manager of **General Foods Ltd.**, has been elected president of the Canadian Public Relations Society, Toronto.

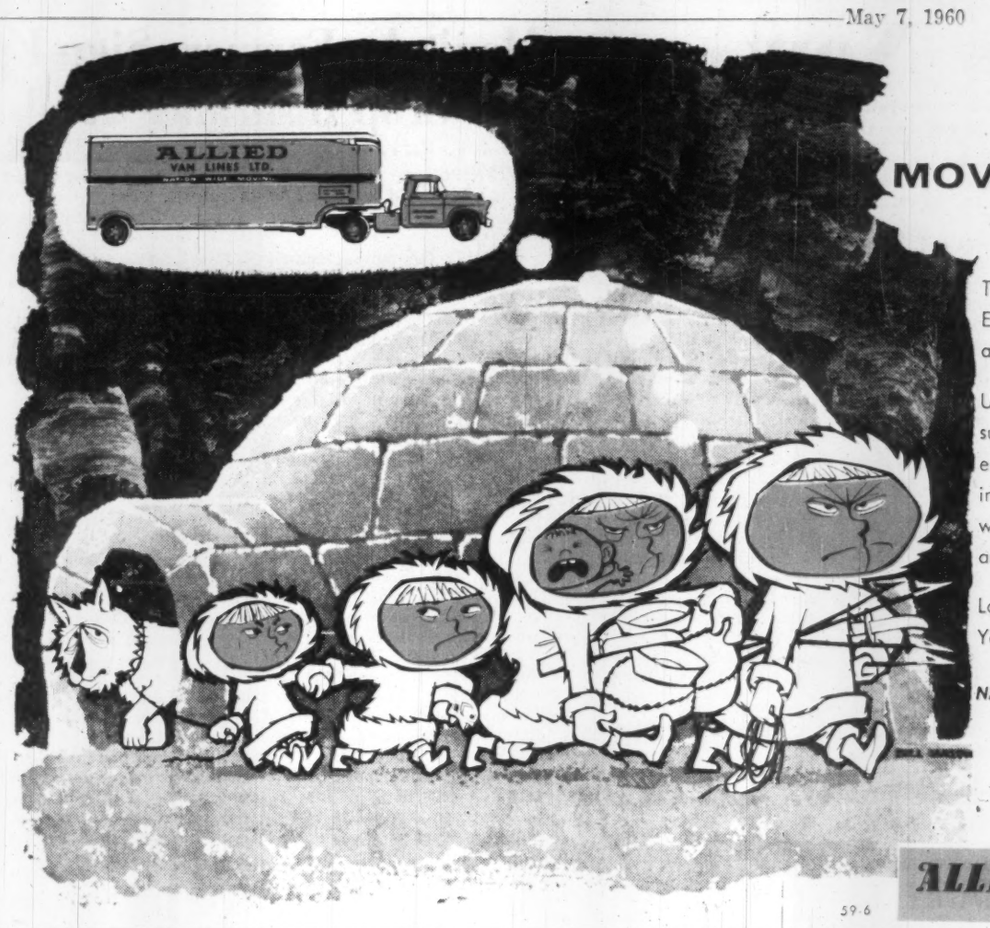
Other officers for 1960-61 season are:

Edward C Hopkins, **Toronto Harbor Commissioners**, vice-president, Roy T. Cottier, **Imperial Oil Ltd.**, secretary, Lawrence W. Holmes, **Dominion Brewers Association**, treasurer.

Elected to board of directors were:

Kim Beattie, **Canadian PR Consultants**; Gerald D. Brown, **Public & Industrial Relations**; Miss Muriel Fleger, **Robert F. Warner Inc.**; Miss Rita Ford, **T. Eaton Co.**; H. G. Kettle, **Massey-Ferguson Ltd.**; Kenneth C. Watts, **Robert Simpson Co.**

John H. Yocom, **B-A Oil**, past president of the Toronto Society, is an ex officio board member.



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What's New

New products, new uses, new ideas, new money-makers. FP reports them here and invites contributions. Write to FP, 481 University Ave., Toronto.

FIBRE GLASS BATH TUB won't peel or chip since the finish is an integral part of the tub, the maker says. It's also stain-resistant and light-weight. A 46½-in. tub weighs only 18 lb. Nail polish, iodine, mercurochrome and similar stains are easily removed. The fibre glass construction means low heat loss of the bath water and absorption of bath-room noises. Price: $35. Also available: A fibre glass sink. Price: $6.95.

* * *

CROOKS BEWARE: If anyone tries to apply ink eradicator to alter a cheque written on a new paper, the word "stop" appears on the paper to warn cashiers.

* * *

TIRE INFLATOR designed for emergency use holds the equivalent of 40 lb. of tire air pressure. Price: Around $3. Refills cost about $2.

* * *

SHOESHINE KIT has a swing-out, shoe-holding bracket that locks into place and holds shoes of any size in polishing position. It mounts on a door or wall, providing storage for polish, daubers, cloths and brushes.

* * *

MOTORIST can see at a glance if he has forgotten to switch off the car radio, the lights, or any other accessory. New control lamp installed on the dashboard, glows a conspicuous red when the driver turns off the ignition key if he has left in operation any current-consuming part of the car.

* * *

AUTOMATIC FORGING of steel by precalculated program means faster and more accurate forging, says British Iron & Steel Research Association, designer of new equipment. Apparatus includes a 200-ton press interlocked with a fast, remote - controlled, experimental manipulator capable of longitudinal, rotational and lifting movements. Program unit controls the press and manipulator.

* * *

BATTERY-OPERATED electric shaver converts to a manicuring set. It has a removable five-blade rotary head and a complete manicure set that includes a cone-shaped carborundum filing wheel, a cylindrical felt buffer and stainless steel nail clippers. The three batteries are housed in a shaving-mirror compartment.

* * *

ICE CUBE MAKER is designed specifically for individual hotel and motel room installation. It produces about 200 ice cubes or nearly 11 lb. of cubes every 24 hours. The storage basket is automatically refilled each time cubes are removed. It's available as a free standing unit for shelf or counter-top arrangement, or for recessed wall installation. Size: 22 in. by 18 in. by 12 in. Weight: 80 lb.

NEW LITERATURE: Alloy Metal Sales Ltd., Toronto, has 36-page catalogue showing aluminum stocks and company services and a chart which compares properties of aluminum alloys . . . Bulletin describes the power, speed and handling characteristics of six tractor shovels made by Construction Machinery Division, **Clark Equipment Co.**, Benton Harbor, Mich. . . . Dowell Division of the **Dow Chemical Co.**, Tulsa, Oklahoma, has technical report on relatively new concept in the treatment of oil and gas wells employing the implosion of glass capsules to generate powerful pressure waves . . . **Atomic Development Mutual Fund, Inc.**, Washington, D.C., has a new periodic chart of the atoms for laboratories, engineers, chemists and selected educational institutions.

ANNOUNCEMENT

GANONG BROS. LTD. APPOINTMENTS

JACK P. ENSOR

JOHN J. GORHAM

Mr. R. Whidden Ganong, President, Ganong Bros. Limited announces the following appointments. Jack P. Ensor becomes a Director of the Company; he joined the firm in 1938 and during the war was promoted from the ranks to achieve the distinction of being the youngest commanding officer in the Canadian Army when he led the Carleton Yorks. After the war he rose from Assistant to the General Manager to Superintendent in 1949, and two years later became Plant Manager.

John J. Gorham becomes General Sales Manager. A Maritimer by birth, Mr. Gorham comes to Ganong's with an extensive background in banking, sales, advertising and merchandising in the Maritimes and Central Canada.

Ask Indictment On Tax Charge

Special Correspondence

ST. CATHARINES, Ont.—For the first time in a tax evasion case, the Crown is seeking to bring an indictment under the Criminal Code.

This means that if a conviction is registered, a minimum prison sentence, as well as a maximum, is provided for.

The Crown's approach was made known at the preliminary hearing of St. Catharines realtor Albert A. Youngblut, charged with evasion of more than $80,000 income taxes in the years 1943-55 inclusive.

At the outset of the hearing, the Crown submitted in evidence 134 exhibits, including books of account, bundles of ledger pages, and dozens of duplicate receipt books.

Charles Dubin, QC, for the Crown, indicated that he would try to prove evasion of tax on all three types of income reported by the accused.

Youngblut is defended by Walter C. Williston, QC, and Trevor Morgan.

Trials of tax evasion charges are frequently prosecuted in the civil courts, and occasionally before magistrates in criminal court.

SAFETY BLOCK

Safety block automatically arrests the rope attached to a workman when subjected to a sudden pull or fall. The rope runs about 1 ft. through a friction brake on the block rope drum and then automatically locks fast. Made by the Sala organization in Sweden, it is distributed in Canada by **Tenace Tools Ltd.**, Kirkland Lake, Ont.

Manitoba Farmers Sign Up For Crop Insurance Trial

From Our Own Correspondent

WINNIPEG — About 2,200 farmers have paid premiums for Manitoba's test run on crop insurance.

Counting the federal contribution of 20% of premiums paid by farmers, the Crop Insurance Agency will have a fund of at least $200,000 to pay possible losses.

Contingent liability on the risks — in case of total crop loss on the insured acreage — will be about $2 million.

The area for the experiment, first of its kind in Canada, is nearly as large as figured, even though farm acceptance in some parts didn't reach the required 25% stipulated in the legislation.

Three test areas comprising 16 municipalities were originally picked.

With prospect that some of them might not reach the 25% minimum, a fourth area of three municipalities in the Red River Valley close to Winnipeg was added in late March.

It has 1,580 farmers. Acceptance exceeds 60%.

The three original test areas were classified on basis of risk, low, medium and high.

The last three municipalities added were ranked as between low and medium risk.

The low risk area included six municipalities in south central Manitoba. They have 3,700 farmers. The sign-ups were better than 30%.

Five municipalities in the southwest were included in the high risk area.

In three in the southwest corner of the province which has 804 farmers acceptance reached the required 25% but not a great deal more.

In the other two immediately north, Albert and Pipestone, which have 700 operating farms, the required minimum wasn't reached.

These two will probably be dropped.

In five municipalities in the northwest, classified as medium risk, sign-ups in Grandview, Dauphin and Gilbert Plans, the three largest, were less than 25%. They have 2,200 farms.

In the other two, Boulton and Silver Creek, with 400 farms applications reached 25% although little more.

The Crop Insurance Agency will have to decide whether it will make the protection available to the 100-odd farmers who have filed their applications and paid their premiums.

Whatever the outcome, crop insurance for 1960 is certain in two test areas, part of a third, and possibly part of a fourth.

Sign-ups the last days of April were hurried by prospect of a late seeding season, further delayed by a 6-in. snow storm April 24.

Strong resistance to the plan in three large municipalities in the northwest may have been partly because of wide variation of soils.

With premium rates varying for each township farmers on ppor land thought premiums were too high, those on good land thought the coverage too low.

Premium rates vary from 67c an acre, smallest in the low risk area, to $1.67, highest in high risk areas.

Coverage is uniform for all, 60% of the 35-year average yield.

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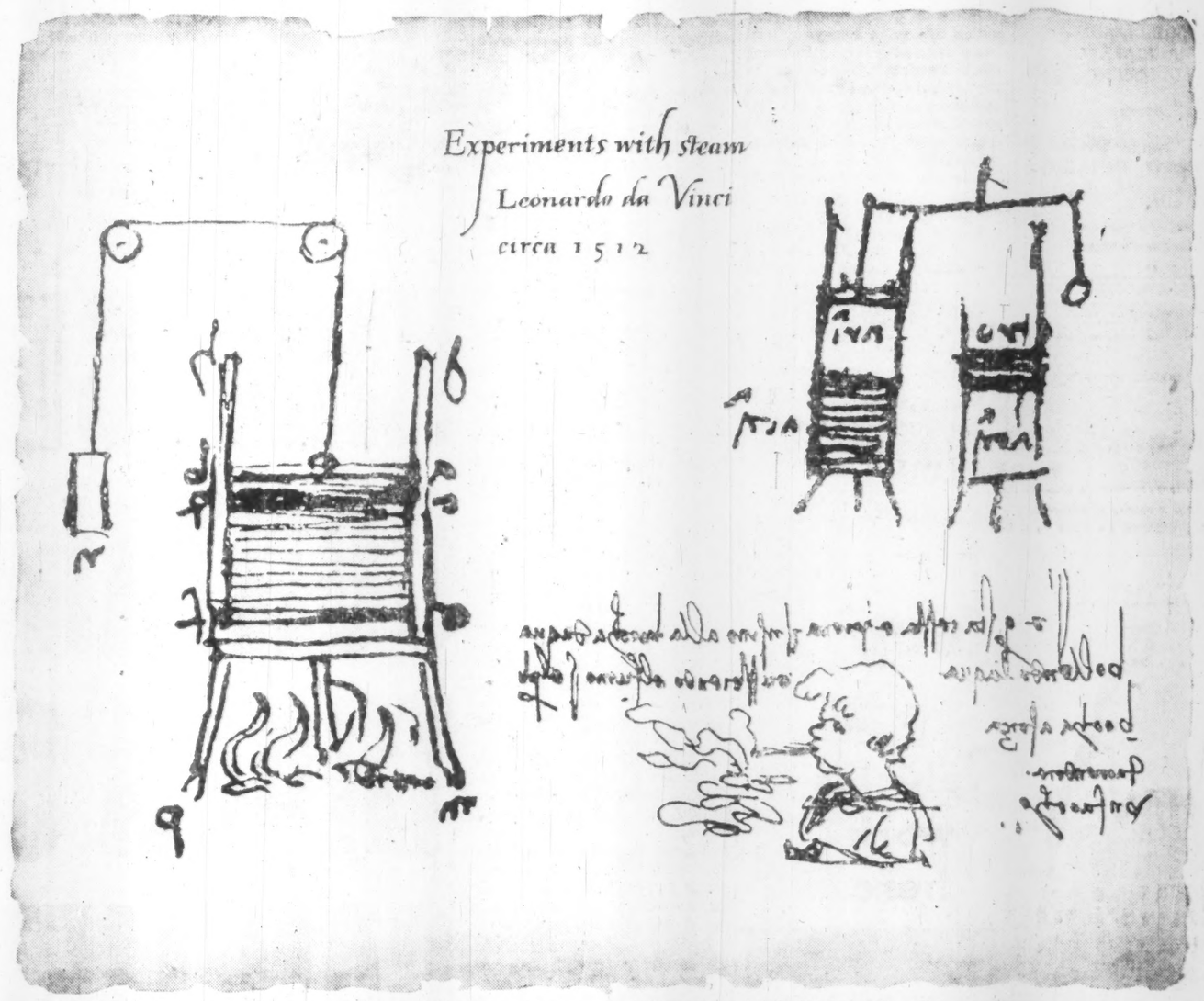

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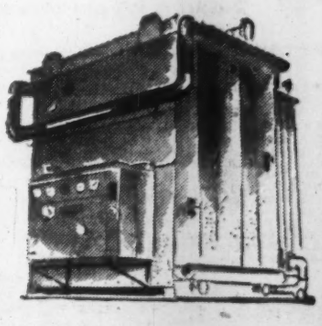

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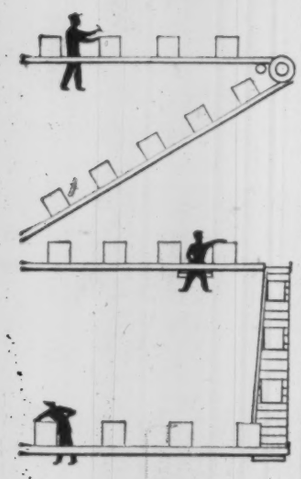

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European Roundup

Keep Close Watch On German Market

By ERNEST WAENGLER

BONN — Canadian exporters will have plenty of reasons to keep a sharp eye on one of their major export markets, West Germany, where important changes in buying may take place as Europe swings briskly into the second stage of economic integration.

Our exports to Germany have very little diversity.

Of $130 million worth of goods sold last year, $110 million was represented by only nine items:

Wheat, aluminum, asbestos, copper, iron ore, nickel, aircraft engines, flax seed and synthetic rubber.

In one respect, this simplicity of our export pattern is reassuring.

Most of the items are essential to the German economy and cannot very easily be replaced by imports from other sources.

To a much greater degree, however, this lack of diversity holds a danger:

If and when European trade patterns change through Common Market integration, greater self-sufficiency or growing Soviet competition, the loss of even one or two export opportunities to Germany could cut down our over-all trade figure very considerably.

About 40% of our present trade with West Germany is represented by wheat, the area in which Europe's trading future holds the greatest uncertainty.

Because of heavy political implications no decisions have been made on the agricultural side of economic integration.

In the case of Germany, many observers believe that no decisive step will be taken until after the 1961 general elections in which farm policies and food prices will play an important role.

The French would like to see a common agricultural structure for the Common Market as soon as possible in which they, as Europe's only major grain exporters, would play the leading role.

Germany, the major food importer in ECM, feels that it cannot gear its food policies to the Common Market for another 20 to 30 years, partly because of enormous inflationary pressures that would be created by higher food prices resulting from restricted trade and partly because German agriculture is not competitive with that in other, less industrialized European countries.

In order to help her own farmers and appease European trading partners, Germany has been steadily reducing the content of Canadian quality wheat in her bread.

Bread consumption, incidentally, has shrunk steadily as prosperous Germans switch to more meat and vegetables.

Last year, for instance, per capita consumption of bread was 16% less than five years ago.

Up to now, wheat imports from Canada have increased steadily. In 1959, Germany bought 40% of her total wheat imports from us.

The outlook is not nearly so good.

There is little doubt that France will be able to force more of her surplus wheat on other ECM countries.

Russian competition in quality wheat will increase. Up to now this has not been a major threat because of poor Russian grading methods and unreliable delivery, but German wheat experts admit that the Russians are improving.

Sales of Canadian Durum wheat ($11 million last year) should remain fairly steady, but chances for bread grain are expected to start to decline after a three or four year transition period.

Larger meat consumption will increase the demand for feed grains and with aggressive marketing we may be able to increase our German foothold in barley. Sales in 1959 were only $668,000 and German agricultural experts feel this figure could be well doubled over the years.

Sales of Canadian oil seeds in Germany will largely depend on prices.

Unless we remain highly competitive, the trend among European margarine manufacturers to switch from flax seed to soy beans may become a problem to Canada.

Chances for Canadian iron ore, now running around $5 million annually, are almost certain to improve with increasing German steel capacity.

Aluminum, which accounted for $15 million of our German sales in 1959, will continue strong for some time because of rising demand and because France and Italy, who are both expanding their aluminum capacity, will not be ready for large-scale exports for some time.

However, our German aluminum business will be less profitable than in the past because of a 5% duty imposed under ECM agreements, which will have to be absorbed by Canadian producers in order to stay in the market.

Nickel sales ($4 million last year) are likely to increase because of greater emphasis on stainless steel in German manufacturing.

Demand for lead, copper, zinc and magnesium seems assured well into the future with heavy industry expansion setting new records every year.

The outlook for Canadian synthetic rubber, on the other hand, ($2.6 million in 1959) and polystyrene ($2.2 million) is considered bleak.

Germans have been increasing the capacity of their chemical industries at a tremendous rate and expect to be self-sufficient in these items within a very short time in spite of rising demand.

The possibilities for Canadian-made aircraft, engines and parts ($3.7 million last year) are generally considered satisfactory because of close co-operation with the German air force and the need for servicing of equipment already bought from Canadian manufacturers.

The over-all outlook for Canadian exports to West Germany is certainly not as bad as many feared when it became clear that European economic integration would have a significant effect on traditional trade patterns.

It is almost certain that German prosperity will continue to grow for some years.

This inevitably means a growing need for industrial raw materials and Canada should be in an excellent position to supply many of them.

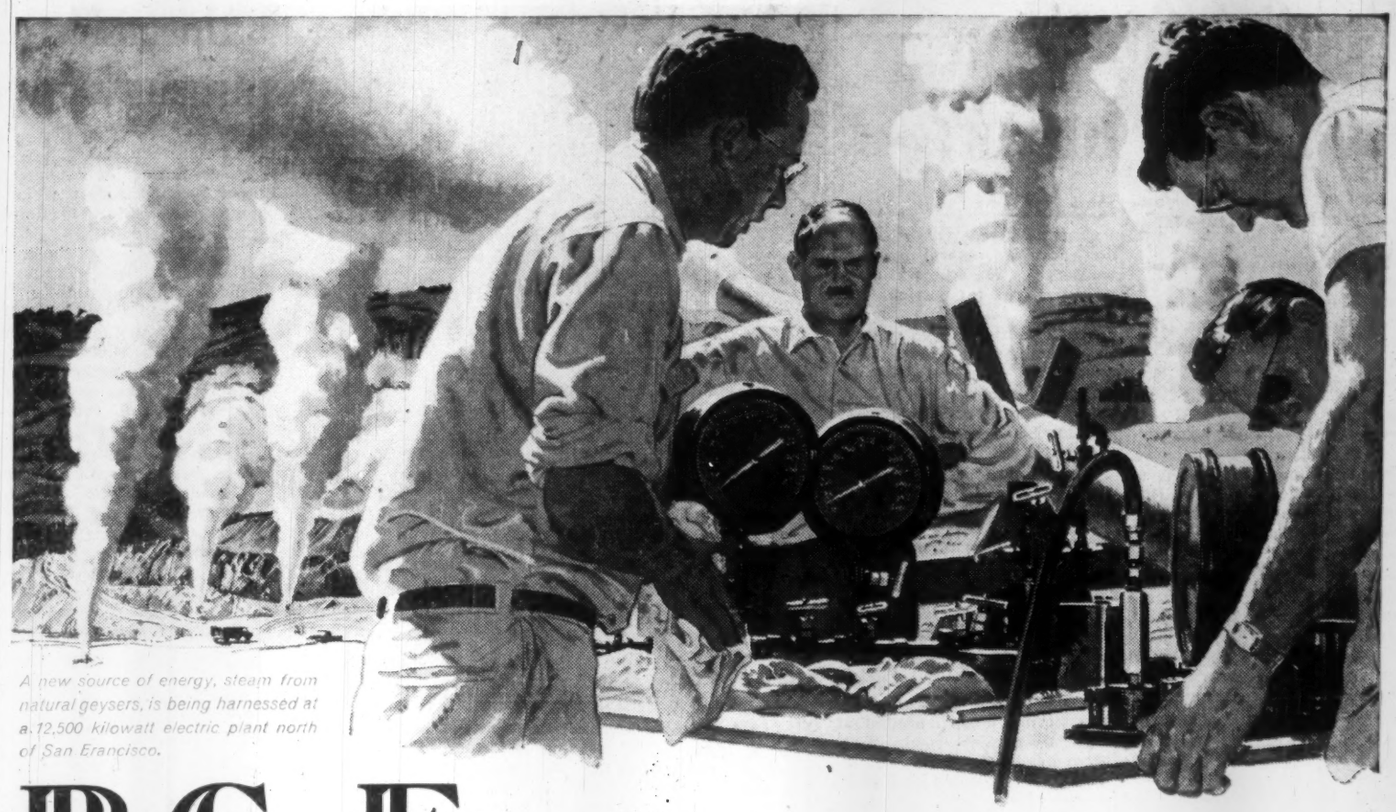
In addition, higher living standards will create opportunities for finished products, even in competition with similar items that are made domestically.

In Germany, as elsewhere, the 1960s will be a period of good opportunities for suppliers with flexibility, imagination and aggressive salesmanship.

Cdn. Chemical Sees Profit Rise

MONTREAL (Staff) — **Canadian Chemical Co.** says it expects improvement in net profit before taxes for the first quarter this year as compared with corresponding 1959.

Annual meeting was told there were major increases in export sales of chemicals and cellulose acetate. However sales of chemicals, yarns and fibre in the domestic market were below expectations.



A new source of energy, steam from natural geysers, is being harnessed at a 12,500 kilowatt electric plant north of San Francisco.

P·G and E· 54th ANNUAL REPORT-1959

Excerpts from 1959 Annual Report

The year 1959 brought to a close a decade of exceptional growth and prosperity in the area served by our Company. The surge in population, the expansion and diversification of industry and the mechanization of agriculture all combined to increase demands for electricity and gas which required an expenditure for plant and facilities over this ten-year period of $1.7 billion.

Today our Company is the Nation's largest gas and electric operating utility from the standpoint of assets, which now total about $2.4 billion. Ten years ago the Company had 2,259,000 customers; today it has 3,568,000. Only six other corporations have more stockholders.

HIGHLIGHTS OF OPERATIONS

Operating Revenues and Other Income	$ 584,879,000
Taxes and Franchise Payments	$ 141,243,000
Natural Gas Purchased	$ 135,933,000
Operating Payroll	$ 74,893,000
Other Expenses and Charges	$ 148,073,000
Net Income	$ 84,737,000
Total Assets	$2,387,411,000
Construction Expenditures	$ 158,693,000
Sales of Electricity to Customers (KWh)	21,513,141,000
Sales of Gas to Customers (MCF)	335,926,000
Total Customers	3,568,388
Number of Employees	18,023
Number of Stockholders	222,623

We have now crossed over the threshold into the Sixties. Ahead is another decade of opportunity and challenge. By any measurement—population growth, family formation, new housing, industrial expansion—the ten years which lie ahead hold promise of an ever increasing demand for the power and fuel the Company supplies.

To meet the growing demands on its system in the decade ahead, the Company must continue to make large additions to its plant. This growth will continue to be financed in a sound manner so as to preserve the investment quality of the Company's securities and to protect the interests of its customers and stockholders.

Perhaps in no other year in the Company's history did climatic conditions have such a material impact on its operations. The net result was to distort our normal sales patterns, increase expenses, and reduce earnings somewhat from normal expectations.

1959 was a dry year, which reduced our hydroelectric generation, requiring us to make up that deficiency in our steam-electric plants, with consequent increases in fuel costs. On the other hand, sales of electricity for agricultural pumping were greatly stimulated by the lack of precipitation. It was also a warm year, which materially reduced gas sales for space heating with an associated loss of many millions of dollars in revenues.

Expenditures for construction, amounting to $159 million in 1959, were well below the levels of the two preceding years, but nevertheless amounted to over half a million dollars each working day. No new capacity was added to our electric generating resources in 1959, due to completion in the previous year of two steam units and of a large hydro construction program. The next major increments to our electric generating resources will be two 325,000 kilowatt steam units at our Pittsburg Power Plant, one of which will be placed in operation in 1960 and the other in 1961.

The Company is continuing its activity in the nuclear power field. It plans to start construction this year on a 60,000 kilowatt nuclear plant to be located in the northwestern part of its system, near Eureka.

Of immense importance to our customers, and to the future growth and development of our service area, is an adequate supply of natural gas. To this end we have been working diligently for a period of more than three years on a project to transport natural gas from the Province of Alberta in Canada to the California market. The project has been the subject of a succession of hearings before governmental agencies in both countries, and it is hoped that all necessary authorizations will be obtained soon so that construction can get under way by the middle of this year. Few undertakings have exceeded this in long-range significance to the Company and its customers.

Summing up, we believe the past year was one of real accomplishment and that the Company now stands on the threshold of another great period of growth and development. It is a source of satisfaction to your management, as it must be to stockholders, that the Company enters the decade of the Sixties with greater financial strength than at any time in its history.

FOR THE BOARD OF DIRECTORS

Chairman of the Board — President

PACIFIC GAS and ELECTRIC COMPANY
245 MARKET STREET, SAN FRANCISCO 6, CALIFORNIA

For more information on this dynamic company write K. C. Christensen, Vice President and Treasurer, 245 Market St., San Francisco 6, for P. G. and E.'s 1959 Annual Report.

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Profits for You In These Ideas?

Looking for new opportunities to add new manufacturing lines?

Here's a list of new ideas, compiled by the Industrial Development Branch, Department of Trade and Commerce, Ottawa. They range from movable office partitions to pant hangers and pumps:

Movable Partitions

A U. S. manufacturer of movable office partitions offers all necessary technical information and assistance to a Canadian company interested in manufacturing these partitions under licence.

All framing is heat treated, extruded and anodized aluminum. The panels may be made of porcelain enameled steel, plastic laminate board, wood veneer, cement-asbestos, or gypsum wallboard.

It is claimed that the partitions are economical to manufacture, require little direct labor, are easy to install, and are completely movable. The method of holding the panels in the aluminum frames can be seen in the sectional illustration of a typical partition. **Item No. 1064.**

Waterproof Compounds

A compound applied externally to concrete construction is offered to a Canadian firm for manufacture under licence. The patented coating is made of fine quartz sand, cement and certain other chemical additives.

For further information on these items, write B. R. Hayden, director, industrial development branch, Department of Trade and Commerce, Ottawa. Item number should be quoted.

It is claimed that this coating can be applied with equal success to old or new construction, that it will withstand frost, and that it will sustain abrasion and high water pressures.

The Canadian company interested should be of medium size and presently engaged in the building materials field. It will be expected to furnish 30% of the investment required. Interested parties should get in touch with: Tage Schalburg - Holm, owner of Dansk Laase Service, Smallegade 41, Copenhagen. **Item No. 1065.**

Racks, Hangers

A full line of accessories made of plated wire, metal tubing and/or plastic is the subject of a licence agreement offered to a suitable Canadian firm by U. S. manufacturer. The line of products includes various attractive designs of clothing and shoe racks, as well as some specialty patio items.

The U. S. company will provide technical information, technicians, drawings, parts, molds and dies, as well as sales and advertising literature. Illustrated leaflets are available from Ottawa on loan. **Item No. 1066.**

Pant Hanger

A pant hanger designed to hold securely several pairs of trousers is the subject of a patent offered for outright sale or on the basis of a royalty agreement. It is claimed that the hanger will retain the trousers in position irrespective of the thickness of their material or of the existence of cuffs. The product may be constructed of wood, metal, plastic, or any suitable combination of these three. Full-scale working models and drawings are available from Mr. C. J. Campbell, 132 Rosedale Heights Dr., Toronto 7, Ontario. **Item No. 1067.**

Welded Gratings

A U. S. manufacturer of metal floor gratings is seeking one or more welding job shops to sell and custom fabricate walkways and floorings made of aluminum, steel, or stainless steel. Since these gratings are used in the construction of oil refineries, power plants, chemical plants and other large industrial construction, adequate sales know-how and connections are of prime importance. **Item No. 1068.**

Concrete Forms

A German firm wishes to make available in Canada its patented steel form systems through a Canadian manufacturing affiliate or licensee. Movable form systems have been developed to speed and simplify the construction of concrete chimneys, silos, sewers and pressure pipe type lines, and for the concrete lining of tunnels, galleries and mine shafts.

More detailed information, including photographs, is available on loan from Ottawa. **Item No. 1069.**

Electromagnetic Pump

An electromagnetic pump of a kind used to supply stove oil from a central reservoir to appliances throughout a building is the subject of a licensing offer by a French manufacturer. The pump is of the submerged type and is claimed to develop a pressure head of 80 ft., with a power consumption in continuous operation of 70 watts per hour. For applications other than fuel oil, the pumps could be built of non-ferrous metals or stainless steel, as required. **Item No. 1070.**

Vacuum Pump, Blower

A German manufacturer of sliding vane rotary vacuum pumps and blowers is prepared to licence a Canadian firm to manufacture these in Canada. These units are used on a wide variety of European machinery for packaging, printing, paper handling, food processing, etc.

U. S. as well as Canadian original equipment business may be open to the Canadian manufacturer, as Argentina is the only other country where a licensing agreement has been made.

All models are single stage rotaries providing sufficient pressure or vacuum for most commercial applications. The horsepower ranges are from 1 to 5 hp. for air-cooled models, 10 to 20 hp. for water-cooled machines, and from 1/3 to 3 hp. for the six oil-free blowers. Descriptive leaflets in English and other details are available on loan. **Item No. 1071.**

Panel Suspension

An Australian company which has developed and marketed a simplified and improved suspension system for ceiling panels, is interested in licensing a Canadian manufacturer. An important feature of the system is that the suspension is invisible but panels can be unclipped after installation to give access to service lines above the ceiling.

The manufacturer claims that very low height is required for the system and the design results in an economical suspension. Enquiries should be addressed to Mr. R. R. Ellen, Australian Government Trade Commissioner, 1255 Phillips Square, Montreal. **Item No. 1072.**

Car Stacking

An automatic stacking system for automobiles is the subject of a licensing proposal made by a German firm. The method of stacking involves an endless vertical conveyor to which 20 cages are attached in such a manner that the cages form two stacks side by side. The ground area required for one conveyor unit is that occupied by two cages plus the housing and the conveyor drive mechanism. Other vertical conveyor units may be built alongside the first to increase the total capacity by increments of 20. Licensing agreements have already been concluded in Italy, France, England, Germany and the Benelux countries. Illustrated brochure available on request. **Item No. 1073.**

Enquiries about the following cases should be sent to Canadian Patents & Development Ltd., National Research Building, Sussex St., Ottawa. Please quote case number.

Rubber to Metal

(T. R. Griffith & J. E. Tyson)

One of a group of patents covering a long program of adhesive development. The adhesive has been in small-scale production and commercial use for several years, where it has been found to be particularly useful in roll covering and tank lining applications. **Case No. 1642.**

Earpiece Oximeter

(R. H. Taplin & W. Paul)

An improved design for an instrument to determine the degree of oxygen saturation of the blood by measuring the transmission of light through the ear lobe. The instrument is easily calibrated and is simple to use. **Case No. 731.**

Bevel Gear Transmission

(G. R. Lazarowicz)

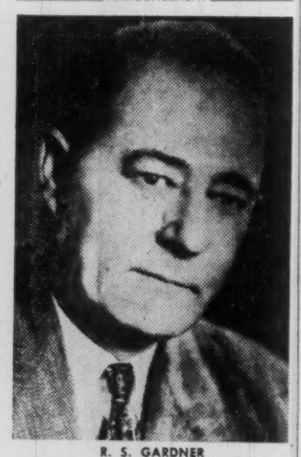
An improved adjustment device for bevel gear transmissions in which the direction of adjustment is normal to the pitch cone line. Adjustment does not upset the established tooth bedding. **Case No. 2823.**

Pressure Head

(T. M. Dauphinee)

A remote reading pressure measuring device which was developed originally for measuring depth in the ocean but may have other applications. Readings are available continuously at the surface regardless of depth and method of suspension. In ocean depth measurement an accuracy of plus or minus three meters is attained. **Case No. 2783.**

ANNOUNCEMENT



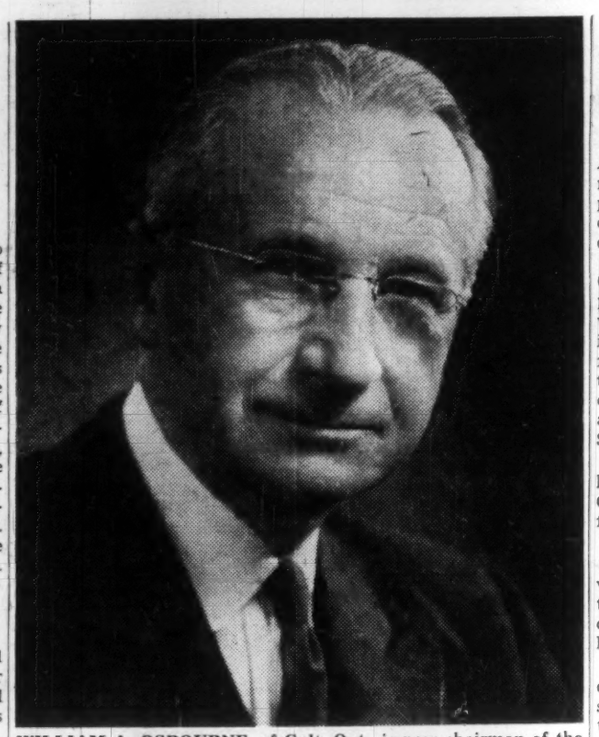
R. S. GARDNER

May 1st marks the completion of a 42-year career with Johns-Manville for R. S. Gardner who retires as Vice President and Production Manager.

Born in Brooklyn, N.Y., Mr. Gardner received a civil engineering degree with three major honors from Syracuse University in 1917.

He joined Johns-Manville in 1918 as a junior engineer at the Asbestos, Que., plant and rose through various managerial positions at the Asbestos mine and factory until he became Plant Manager in 1934. In 1947, Mr. Gardner was appointed Production Manager of the Canadian Products Division, and Vice President of Canadian Johns-Manville.

During his 42 years with the company, Mr. Gardner has made many major contributions to the Johns-Manville organization, in the production field. He played an important role in bringing about construction of the Toronto Transite Pipe Plant, and the North Bay insulating board plant.



WILLIAM A. OSBOURNE, of Galt, Ont., is new chairman of the board of Industrial Foundation on Education, a research body set up by Canadian business and industry to guide them in planning aid-to-education programs. Osbourne is vice-chairman of Babcock-Wilcox & Goldie-McCulloch Ltd., and a member of the University of Toronto board of governors.

University Fund-Raisers Set Their Sights Lower

Canadian universities and colleges will be making fewer appeals for funds this year.

Last year's campaign objectives: $17.6 million.

"Unless plans materialize more rapidly than anticipated in the next few months," the Industrial Foundation on Education says, "it would appear likely that 1960 will be a light year for university fund-raising."

In 1959, Canadian corporations donated a record $12.4 million to universities (FP, April 30).

This equaled 8.1% of university operating and capital costs.

The Foundation recommends that ways be sought to distribute fund-raising campaigns more evenly, and to reduce "rather violent fluctuations from year to year."

It notes that while campaign objectives of Canadian universities totaled $98,729,106 during the past two decades, there were three years in the 1940s and two in the 1950s when no campaigns were initiated.

Peak year was 1957, when campaigns for $21,685,000 were launched.

Cash or pledges received during these 1940-59 campaigns totaled $94,930,245.

Campaigns still in effect amount to $58,038,000. Against this, $52,156,000 has been accounted for, either in the form of cash or pledges.

Today, there are only five definite campaigns organized to begin in the very near future, the Foundation says.

Total objective of these five campaigns is $10 million, to be launched between now and sometime in 1962.

Here are details:

University	Objective
Victoria College (Victoria, B.C.)	$2,500,000
Memorial University	2,000,000
Assumption University	2,000,000
U. of King's College	1,000,000
U. of Saskatchewan	2,500,000

Another eight institutions, including McGill, have campaign plans under consideration.

Over the past 20 years, McGill has initiated fund-raising campaigns for $20,925,000, and has received cash or pledges amounting to $25,694,738.

Second biggest total is the $18.6 million sought by the University of Toronto in campaigns since 1940. It raised $15,643,906 in cash or pledges.

Alumni Here Giving More

The latest edition of the American Alumni Council's annual "Survey of Alumni Support" contains data which are of some comfort to Canadian colleges.

Five years ago, before the Canadian college building campaigns got going, this same survey showed that nine colleges in this country operated alumni funds. Some 24,900 alumni contributed an average of $14.68 each. This was about half the average U. S. contribution of $28.98.

The new survey shows what has happened since. Eighteen Canadian colleges ran alumni funds last year.

The average Canadian gift (31,400 contributions) was $19.60, one third greater than in 1955. The average U. S. contribution was $33.38, 15% higher than before.

Thus the average Canadian contribution has risen both absolutely and relatively more than that in the U. S.

Another nine Canadian colleges are going after their alumni with the reminder that fees paid covered only about a third of the cost of education received.

The alumni funds are a steady income source for the colleges (last year's contributions of $615,000 are a "living endowment" income of 5% on $12.3 million).

And more and more Canadian alumni are recognizing their responsibility to help make up the difference between fees of present-day students and education costs, in the same way that others helped them.

ANNOUNCEMENT

NEW DIRECTORS WATERLOO TRUST

M. J. SMITH — D. W. BROWN — G. CHAPLIN

At a recent meeting of the Board of Directors of The Waterloo Trust and Savings Company, Mr. M. J. Smith, Mr. D. W. Brown and Mr. Gordon Chaplin were appointed Directors of the Company. Mr. Smith is President of The Equitable Life Insurance Company of Canada, Waterloo, Ontario. Mr. Brown is President of General Spring Products Limited, Kitchener, Ontario and Mr. Chaplin is President of Canadian General-Tower Limited, Galt, Ontario.

Workers Give Pay For College Fund

From Our Own Correspondent

WINNIPEG — Forty Brandon building trades workmen have offered to give two days' pay to help the building fund of Brandon College.

The first group of 29 — two supervisors, two machine operators, four bricklayers, 11 carpenters and 10 helpers — made their first donation by working April 23.

They followed with a second April 30, when another group of 11 plumbers and steamfitters made their first contribution.

The workers, employed by **Pearson Construction Co.** which has the contract for first of the buildings of the college expansion program, waived the rules calling for extra pay on Saturdays.

They made their contribution at rates called for in their normal work week.

Their earnings will total about $1,000.

The donation will mean a contribution of about $3,000 to the college because the Manitoba government has agreed to match two for one each dollar raised by public subscription.

The drive for public help started last year.

On April 30 pledges and subscriptions were $565,000 of which $263,421 has been raised in Brandon.

The expansion program is costing an estimated $3.6 million.

Burroughs Lets Two Contracts

Burroughs Adding Machine of Canada Ltd. has placed two contracts for components for the AN/FST-2 data processing system used in CADIN, the Canadian portion of SAGE.

Bogue Electric of Canada Ltd., Toronto, was awarded a $800,000 contract for electrical power supply units.

Marsland Engineering Co., Kitchener, got a $96,600 contract for azimuth mark generators.

Burroughs is responsible for the training, installation, operation and maintenance of the AN/FST-2 sites, part of the North American Air Defence system.

CNR Revenue Up in March

MONTREAL (Staff) — Net operating income of **Canadian National Railways** for March was $1.3 million, up $62,000 from the same month a year ago.

Operating revenues totaled $62.8 million, a $122,000 increase. Expenses at $61.5 million were up $60,000.

The railway recorded a net operating deficiency of $5.6 million for the first three months of the year, down from $7.5 million for the first quarter of 1959.

The figures show:

	Month of March		
	1960	1959	Increase
	$	$	$
Op. Rev.	62,780,000	62,658,000	122,000
Expenses	61,456,000	61,396,000	60,000
Net Op. Inc.	1,324,000	1,262,000	62,000
	3 mo. from Jan. 1		
Op. Rev.	176,262,000	173,361,000	2,701,000
Expenses	181,855,000	181,046,000	809,000
Net Op. Inc.	5,593,000*	7,485,000*	1,892,000

*Deficiency.

PLASTIC CONTAINER

Lever Brothers Ltd. is distributing a new Lux liquid detergent in a plastic container that replaces the present tin. The detergent also has a new fragrance and new formula.

UNIQUE ECONOMY METER shows exactly how many miles you get to a gallon of gas. You prove gas economy for yourself.

You're the driver in Plymouth's unique new gas economy test

You'll discover great gas mileage in a PLYMOUTH PROVE-IT-YOURSELF ECONOMY DRIVE. Takes only minutes, lets you prove for yourself the economy of Plymouth's new 30-D Economy Six.

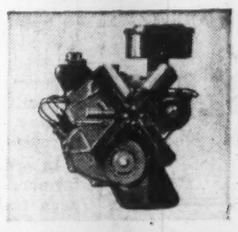
No special test conditions here—just *you* at the wheel of a regular 1960 Plymouth. A full-size Plymouth, with all its comfort, all its performance. Here's how to take this convincing test:

Go to your dealer's and slip behind the wheel of a Plymouth. You'll see Plymouth's special ECONOMY METER mounted on one side. A flick of a control powers the Solid Plymouth with the gas in the jar.

Drive this roomy Plymouth in your usual way and just watch how slowly the gas level goes down. Compare the tiny amount of gas used with the mileage figures on the speedometer. In this way, you see for yourself exactly how many miles *you* got on just a small amount of fuel!

You do the driving. You check the mileage. You prove Plymouth's economy yourself. What could be more fair?

Try it at *your* Plymouth dealer's!



New Plymouth 30-D Economy Six is inclined 30 degrees... delivers top performance on less gas. Prove it yourself today!

A quality product of Chrysler Corporation engineering

PLYMOUTH WINNER OF THE 1957-1958-1959-1960 MOBILGAS ECONOMY RUN

SEE YOUR LOCAL PLYMOUTH DEALER

Ask Your Dealer About The Certified Car Care Plan

Supermarkets For Car Parts

By RALPH YOUNG

"Wholesale supermarkets" for automotive parts are being established in a series of coast-to-coast warehouses by **Hayes Steel Products Ltd.**, Merritton, Ont.

The warehouses are located with the objective of providing 24-hour service, when necessary, to jobbers in any major centre.

"Motor vehicles are becoming so complex that no jobber today can afford to carry an extensive inventory of parts, particularly for heavy trucks and off-the-road equipment," said W. S. Thompson, secretary-treasurer.

"Our warehouses, carrying 15,000 different parts, will permit jobbers to stock fast-moving parts and rely on us for others," he added.

With transportation a major consideration, new warehouses at Montreal and Toronto have been located within a 10-min. run of local airports.

Others, to be built soon at Vancouver, Edmonton, Winnipeg and at an undetermined site in the Maritimes, also will be close to fast transportation.

The warehouses will be linked by teletype. Toronto unit has 20,000 sq. ft. of floor space. Others, all identical one-story structures, are of 10,000-ft. size.

For economy, there's no automated handling equipment.

Hand trucks are used to assemble orders. Emphasis is on speed in handling paperwork and getting orders shipped.

"The automobile manufacturers do a good job of distributing parts. We feel we are filling a gap in providing parts for heavier equipment, and for imported vehicles, especially outside the metropolitan cities," Thompson said.

Body parts will not be stocked.

"We carry the parts that wear out—the ones an operator has to have to keep the job moving," he added.

Move is frankly a hedge against dwindling business in parts manufacturing, Thompson said.

Company, which makes clutches, axles, universal joints, propeller shafts, and other moving parts, has seen employment in its two Canadian plants drop from 1,400 to 1953 to about 600 now.

"We modernized our plants to a peak of efficiency—but with 30% of the new car sales in Canada being taken by imports, there is real pressure on the parts industry in this country," he said.

Through its subsidiary, **B-W-H Service Parts Ltd.**, company handles a wide variety of **Borg-Warner** and **Dana** replacement parts, made in the U. S.

Your Dollar Is Worth . . .

(Rates relative to the Cdn. Dollar)

	Recent	Month Ago
Argentina, peso paper	.0121	.0527
Australia, pound	2.1658	2.1327
Austria, schilling	.0371	.0357
Bahamas, pound	2.707	2.6665
Belgium, franc	.0193	.0191
Bermuda, pound	2.707	2.6665
Brazil, cruzeiro	.0052	.0053
Chile, escudo	.915	.90
China, peoples dollar	.3911	.3857
Colombia, peso	.1445	.1425
Costa Rica, colon	.1718	.1690
Cuba, peso	.9646	.9511
Czechoslovakia, crown (1)	.1346	.1320
" crown (2)	.0681	.0669
Denmark, krone	.1399	.1377
Dominican Republic, peso	.9658	.9523
Egypt, pound	2.77	2.74
Finland, finmark	.0030	.0030
France, new franc	.1964	.1936
Germany (East) ostmark (1)	.43	.43
" ostmark (2)	.2307	.2261
Germany (West) deutschemark	.2310	.2278
Greece, drachma (new)	.0321	.0316
Haiti, gourde	.19	.19
Hong Kong, dollar	.1700	.1662
Iceland, krona	.025	.025
India, rupee	.2033	.2000
Israel, pound	.54	.53
Italy, lira	.0016	.0015
Jamaica, pound	2.707	2.6665
Japan, yen	.0026	.0026
Mexico, peso	.077	.0760
Netherlands West Indies, guilder (florin)	.5125	.5044
Netherlands, guilder (florin)	.2555	.2518
New Zealand, pound	2.697	2.655
Norway, krone	.1352	.1330
Pakistan, rupee	.2033	.2000
Panama, balboa	.9658	.9524
Peru, sol	.0347	.0347
Philippines, peso	.481	.475
Portugal, escudo	.0337	.0332
Puerto Rico, dollar	.9658	.9524
South Africa, pound	2.71	2.67
Spain, peseta (new rate)	.0161	.0159
Sweden, krona	.1869	.1834
Switzerland, franc	.2220	.2190
United Kingdom, pound	2.707	2.6665
U.S.S.R., rouble (1)	.24	.238
" rouble (2)	.098	.0965
Venezuela, bolivar	.29	.285
West Indies Federation (except Jamaica) dollar	.5634	.5552
Yugoslavia, dinar (1)	.0032	.0032
" dinar (2)	.0024	.0024

(1) Official or commercial rate.
(2) Non-commercial or tourist rate.
(Rates supplied by Royal Bank of Canada. For business or travel purposes, check your bank for latest rates.)

WINGATE

PARKER

WADDINGTON

PARLEE

Major Promotions at Inco

Election of J. Roy Gordon as the first Canadian president of **International Nickel** included a series of promotions that moved four key Canadian and U. S. officials on to the Inco board of directors.

Here are the changes:

- **Henry S. Wingate**, former president, becomes chairman and chief executive officer, as Dr. John F. Thompson becomes honorary chairman while continuing as chairman of the executive committee.
- **Ralph D. Parker**, top Canadian official since 1955, was elected senior vice-president. Parker has been with Inco since 1928, now uses the Toronto office as his base.
- **Four new vice-presidents** were elected — two from Canadian operations and two from the U. S.

Canadians are **Ralph H. Waddington** who is general manager of Ontario operations and was an assistant vice-president, and **James C. Parlee**, also an assistant vice-president but head of the new Manitoba operations.

From the U. S. are **Richard A. Cabell**, formerly an assistant vice-president concentrating on U. S. labor relations, and **Albert P. Gagnebin**, a top researcher now concentrating on building Inco sales of primary nickel.

John A. Marsh, a vice-president of the U. S. subsidiary — **International Nickel Co. Inc.** — became president of the Huntington Alloy Products Division, and **Paul Queneau** is technical assistant to the president of Inco.

Other officers: **Lance H. Cooper**, vice-president; **William F. Kennedy**, secretary; **F. M. A. Noblet**, treasurer; **Walter A. McCadden**, comptroller; and **H. G. Fales**, assistant to the chairman.

W. John Gould was newly elected deputy comptroller and **Dean D. Ramstad** assistant secretary.

T. M. Gaetz was appointed assistant general manager, Ontario division.

CPR Earnings Up in Quarter

MONTREAL (Staff) — Net rail earnings of **Canadian Pacific Railway** during March totaled $4.7 million, down from $5.1 million for the same month in 1959.

Rail revenues were $41.2 million, compared with $43.1 million. Expenses were down too, totaling $36.5 million compared with $38 million.

Net rail earnings for the first quarter of 1960 were $6.7 million, up from $6.2 million a year earlier.

The figures show:

	Month of March 1960	1959	Decrease
	$	$	$
Rlwy. Rev.	41,161,631	43,110,244	1,948,613
Rlwy. Exp.	36,464,267	37,971,408	1,507,141
Net Rlwy. Earn.	4,697,364	5,138,836	441,472
	3 mo. from Jan. 1		
Rlwy. Rev.	113,964,691	116,397,807	2,433,116
Rlwy. Exp.	107,251,615	110,231,794	2,980,179
Net Rlwy. Earn.	6,713,076	6,166,013	*547,063

*Increase.

Meet Inco's New President

By FRANK KAPLAN

The first Canadian to become president of giant **International Nickel Co. of Canada** is a big, bluff, hearty and highly-capable metallurgist with a flair for enjoying any new job and making it look deceptively easy.

See photo, p. 1.

J. Roy Gordon (actually James Roycroft, but he's Roy to his associates) is gregarious and outgoing, looks like he is enjoying every minute of a sometimes hectic career.

At 61, Roy Gordon is trim and athletic looking, despite the lack of curling facilities in New York — a sport which he enjoyed actively until he moved to New York late in 1954.

Some of Gordon's associates note an almost psychic ability to sense a developing problem, work out a solution before the problem becomes obvious to others.

But Roy Gordon rarely stops to think about how "I got there."

He commented to **FP** in a telephone interview that "filling jobs is a matter of dealing with people."

He laughed, "People are most interesting and rewarding although presenting some of the damndest problems.

"I've always tried to do the best possible job in the particular post I held and let the future take care of itself."

Gordon's background, progressing steadily from the rugged life of a struggling farm family about 8 mi. north of Kingston, Ont., to president of Inco, shows his ability to grow with each step in his career.

This branch of the Gordon clan came to Canada from Scotland late in the 18th century, homesteaded near Kingston.

For the young Roy Gordon, born in the frame house once part of the original log home, life was "pretty rugged".

But, as he notes offhandedly, "I happened to live close enough to go to university."

That was the only break Gordon needed.

He graduated from Queen's University in Kingston in 1920 with a BSc in chemistry, joined **M. J. O'Brien Ltd.**, as a research metallurgist in silver-cobalt ores, switched to the Ontario Research Foundation from 1929 to 1936 and then joined Inco as director of the new research department at Copper Cliff.

Gordon quietly recalled that "once I got the university education, I moved along."

As Inco metallurgy paid off in more efficient operations in the Sudbury area, in better extraction of more minerals, Gordon moved through a succession of posts until he became general manager of Canadian operations and a director in June 1953.

Roy Gordon has been honored by his Canadian professional colleagues for "his contributions to process metallurgy in the smelting and refining of nickel, and improvements in metallurgical nickel recovery," has received recognition in the U. S. and an honorary Doctor of Laws from Queen's.

"I expect to continue having a great deal of interest in process metallurgy because of my early work," he commented.

"But, process metallurgy is important mainly from a production angle. Equally important is the development of new nickel markets."

In January 1955 he transferred to the New York main office and early in 1957 he became executive vice-president.

Gregarious Gordon and his attractive wife Joan enjoy living in New York, are considered a popular couple in any party.

But he makes frequent trips to Canadian operations with side trips to see his grandchildren.

One son and one daughter live in Cobourg and a second daughter in Galt. They have seven children.

The youngest son of his first wife (deceased), is a freshman at Trinity College, University of Toronto.

A 10-year-old stepson, Brian, lives with the Gordons in their 5th Ave. apartment.

Today Roy Gordon is a director of a string of major companies, will likely become even busier in his new post.

But for the young farm boy who considered 8 mi. from Kingston "close to a university", the increased responsibility as president of a world-wide company just completing a $125 million expansion, will likely prove to be "just a case of getting along with people."

M & O Paper Net Rises 30%

Minnesota & Ontario Paper Co., Minneapolis, Minn., had a net profit of $1,550,398 (60c per share) in first quarter 1960, up 30.6% from $1,187,473 (46c) in like 1959 period.

Net sales for the three months rose by 9% to $22.2 million ($20.4 million last year). Increase was due mainly to higher volume in specialty papers and newsprint and to an improved Insulite product balance.

Company has started 1960 remarkably well, President R. Faegre told shareholders at the annual meeting.

However, he warned, general business conditions and other factors in the months ahead may make this a difficult pace to maintain.

Company looks for increases of 5% to 6% in specialty paper shipments, 3% in newsprint shipments in 1960, as compared with last year.

Projections for Insulite volume this year run about 10% ahead of 1959, but it currently appears that this objective may be difficult to attain, Mr. Faegre said.

Insulite volume in the first quarter was about 10% below expectations. However, as homebuilding activity is resumed following the winter, demand for building materials should rise correspondingly, he said.

Capital expenditures are expected to approach $7 million in 1960 ($5.3 million last year).

McGILL STAFF DEVELOPMENT INSTITUTES

MAY AND JUNE COURSES

Job Evaluation Institute — May 24-28
An instructional course.
Led by Dr. Jay L. Otis, Western Reserve University.

Senior Staff Seminar — May 30-June 3
Considers the social implications of organizational structure.
Led by Professor C. Roland Christensen, Harvard Graduate School of Business Administration.

Operations Analysis — June 1-11
A basic course in operations research procedures.
Led by Dr. E. H. Bowman (M.I.T.) and Dr. R. B. Fetter (Yale).

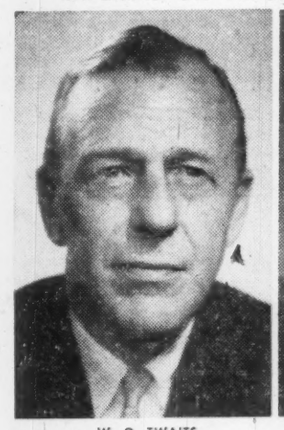
Problems of Organizational Behaviour — June 15-25, continued August 29-September 2.

A middle-management course in human relations.
Led by Dr. Paul Lawrence, Harvard Graduate School of Business Administration.

For information please write:
Dr. David D. Smith
Course Director
Staff Development Institutes
3684 McTavish St., Montreal.

ANNOUNCEMENT

IMPERIAL OIL ELECTS NEW PRESIDENT

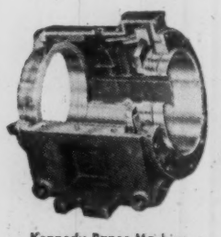

W. O. TWAITS

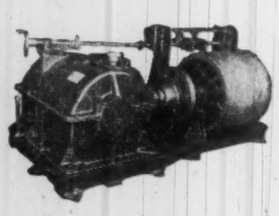
J. R. WHITE

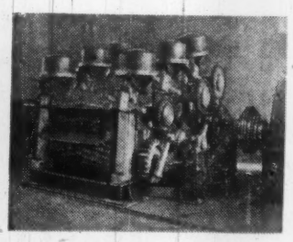
W. O. Twaits, executive vice-president of Imperial Oil since 1955, has been elected president, succeeding J. R. White, who becomes chairman of the board. Mr. Twaits, a native of Galt, Ont., and a graduate of the University of Toronto, has had wide experience in all phases of the company's activities including research, supply and transportation, petroleum economics, crude oil production, and marketing. Mr. White, Imperial's president since 1953, has been designated for nomination to the board of directors of Standard Oil Co. (N.J.).

Better ways to make BETTER PAPER

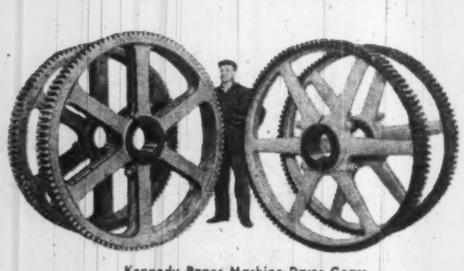
Papermaking equipment and processes have been greatly improved —particularly in the last decade. In practical co-operation with pulp and paper mills, Kennedy engineers have designed and built new equipment, re-designed and improved other production line machines. This Kennedy assistance in making better paper is continuing and expanding.


Kennedy Paper Machine Dryer Bearings

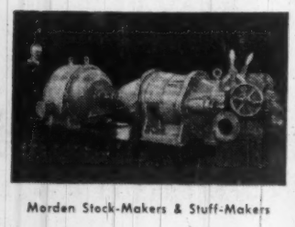

Paper Machine Drives


Northern Bark Presses

Kennedy Propeller-type Agitators


Kennedy Paper Machine Dryer Gears

Kennedy-Jones Pulpmasters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U.S. Orders Canadian Automatic Map System

Basic research by a Canadian survey company, **Hunting Associates Ltd.**, starts to pay off this month with delivery of a $100,000 "Stereomat" automatic mapping system to the U.S. Army.

Export of the machine to the Army's Engineering Research and Development Laboratories, Fort Belvoir, is the culmination of four years' work by inventor Gilbert Hobrough of Hunting's research and development division (**FP**, March 7, 1959).

Following evaluation of this first system, a quantity production order is expected from the U.S. government.

A second more sophisticated Stereomat system has been ordered by the U.S. Air Force for its Air Research and Development Command research centre at Rome, N.Y.

Hunting has licensed **Benson-Lehner Corp.** of Los Angeles to manufacture and market the Stereomat systems throughout the world in exchange for royalty payments.

The development of the system has been carried out entirely by Hunting with its own funds.

Purpose of the system is the automation of the delicate and fatiguing task of establishing contours on photogrammetric maps made from aerial photography.

Charles Spooner, chief of technical development for the U.S. Army Map Service, has commented:

"This instrument represents a major and fundamental breakthrough in the technique of photogrammetric engineering.

"While it is doubtful that the device will ever do away completely with the need for an operator, it should permit the faster processing of data.

"We look for this device to speed up our operations from the present 20 hr. to 40 hr. required to analyze a pair of aerial photographs to about 2 hr.

The Stereomat is looked upon as the system that will cut the bottleneck delaying major national mapping programs by years.

At present a single aircraft in a day can take enough photographs to keep a map-making or manually operated photogrammetric plotting machine busy for a whole year.

These plotting machines can reconstruct the surface geometry of the ground from stereoscopic pairs of aerial photographs.

Differences in ground elevations between all points, as well as the distances between these points can be determined by a skilled operator using the present machines.

The automation of this process using photo-electric cell "flying spot" random scanning and electronic circuitry is the essence of the Stereomat system.

United Steel's Sales, Profit Up

United Steel Corp., Toronto, earned $37,000 (6c per share) in the first quarter this year compared with a deficit of $114,000 in corresponding 1959 period, President A. G. House told the annual meeting.

Sales were up 23% from last year. Profit margins were better, reflecting a slight firming of prices in the structural steel industry generally, the president said.

Backlog of orders is good and incoming business encouraging.

Company's working capital totaled $6.5 million at March 31.

New Cherries: Nursery Stock 'All Sold Out'

Three new varieties of sweet cherries developed at Vineland Experimental Station, Vineland, Ont., have attracted lots of interest in the U.S. and Canada.

The new varieties produce large, attractive black cherries that are expected to increase cherry consumption in coming years (**FP**, Nov. 14, 1959).

"Growers are very interested in their behavior," says George H. Dickson, developer of the varieties.

Nursery stocks, he said, were sold out by Christmas.

Enquiries came from Michigan, New York, Pennsylvania and other states.

In the Niagara Peninsula, large numbers of the new cherry trees will be coming into bloom in the next week or so for the first time.

If the weather is sunny during cherry blossom time permitting the insects to pollinate the trees well, prospects for the cherry crop are good, Dickson says.

The new varieties fill in gaps in the cherry season, stretching the ripening season over July.

This means: Pickers can be kept busy longer. Fresh and better cherries will be available longer. Canners can spread out their work.

Petrofina Sales Rising

MONTREAL (Staff) — **Canadian Petrofina Ltd.** expects 1960 profits "considerably in excess of those realized in 1959".

A. F. Campo, Canadian Petrofina's president, told shareholders last week that higher sales and greater operating efficiency were more than offsetting the adverse effects of lower "realization per gallon" on finished products.

He blamed "severe and unwarranted" competitive conditions for the reduced earnings from the finished products.

Dealing with Canadian Petrofina's operations during the first quarter of 1960, Campo told the meeting that drilling activity in Western Canada on acreage, in which varying interests are held by the Petrofina group, produced five oil and three gas wells.

Crude oil production during the quarter amounted to 804,000 barrels, a 3.5% increase over the same period of 1959.

The volume of crude oil processed by Canadian Petrofina's Pointe-aux-Trembles (Montreal) refinery was 2,614,000 bbl., a 5% increase.

U.K. Moves New Precedent For Future Credit Control?

Special Correspondence

LONDON, Eng. — Faced with the need to prevent overstrain in the booming U.K. economy, Chancellor Derick Heathcoat Amory has introduced a new form of credit squeeze which may be a precedent for future government action in the monetary sphere.

He has asked the main English and Scottish banks to make special deposits with the Bank of England on or before June 15.

These deposits have been fixed at 1% of each bank's total gross deposits in the case of the London clearing banks and 0.5% in the case of the Scottish banks.

The measure is being flanked by a return of controls on installment trading.

For items such as cars, television sets and refrigerators, a buyer will now have to put down 20% and pay off the remainder over two years.

Total deposits of the 11 member banks of the London Banker's Clearing House amounted, on April 20, to £7,211 million. The amount needed to comply with the special deposit ruling will therefore be an aggregate £72 million.

The special deposit scheme was devised in July 1958, but so far it has been kept as a weapon in reserve.

Its introduction now is aimed at hastening the steps the banks have already initiated to restrain the growth of their advances.

Once they have been made, the deposits can only be drawn upon with the Bank of England's consent.

It can be inferred that the Bank will be taking its instructions from the Chancellor.

Interest will be related to the current treasury bill rate.

Liquidity ratios of several leading banks are at or close to the 30% minimum which U.K. parctice demands. This, in turn, reflects the rise in advances which has continued for 18 months or more.

By giving the banks six weeks in which to make the deposits, Mr. Amory has evidently been concerned to avoid dislocation in the bond and discount markets and to allow the banks adequate time to apply the rein to borrowers.

The banks have so far been able to protect their liquidity ratios (i.e., the ratio of cash, call money and bills to deposits) by financing advances through the sale of bonds.

But the Bank of England has already served notice that it is not prepared always to support the bond market, and the commercial banks are unlikely to press further large sales on a market from which the "floor" has been removed.

The basic problem facing the Chancellor is to prevent buoyant home demand for goods and services leading to inflation and a balance of payments crisis. Recent trade returns have shown that the growth of imports may outrun that of exports.

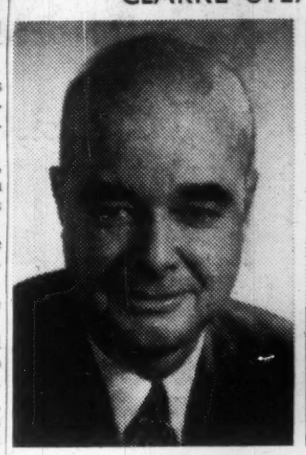
In regard to U.K. business with Canada, imports continue to be substantially higher than exports, although the ratio (as opposed to total values) appears to be holding fairly steady.

For the first quarter of 1960, U.K. imports from Canada were valued at £82.3 million, against exports to Canada of £53.9 million.

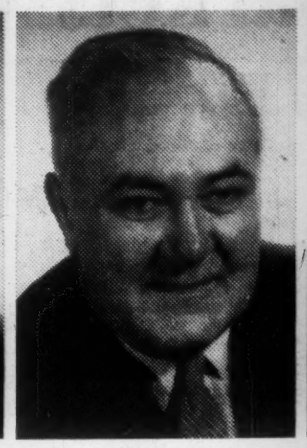
In the first quarter of last year the comparative figures were £66.9 million and £40.2 million.

ANNOUNCEMENT

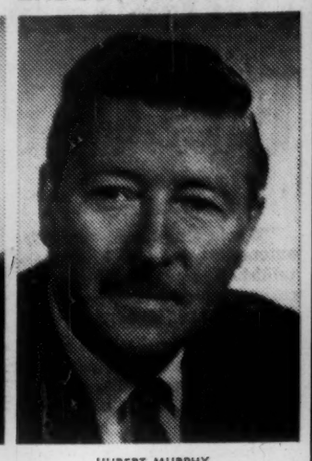
CLARKE STEAMSHIP COMPANY EXECUTIVES



JIM HUTCHESON
Sales Manager



TOM CALHOUN
General Traffic Manager



HUBERT MURPHY
Terminals Manager

Management regrouping of Executives has been announced by Stanley D. Clarke, President of Clarke Steamship Company Limited. The Traffic Department of Clarke Steamship Company Limited is now headed by a Traffic Committee with Tom Calhoun as Chairman and General Traffic Manager; Jim Hutcheson, Sales Manager; and Hubert Murphy, Terminals Manager. This new distribution of administrative responsibilities has been formed to provide a type of operation which will mean greater efficiency and economy in services to the Shipping Public.

SOUTHWEST ALBERTA

Newly formed Southwest Alberta Development Association will promote economic development of the area covered by the Oldman River District Planning Commission. Directors of the organization met recently in Lethbridge with officials of the Alberta Department of Industry and Development. Membership includes cities, towns, villages, municipalities and public bodies such as chambers of commerce.

ANNOUNCEMENT

CANADA BREAD APPOINTMENTS

N. T. CURRIE

ERIC E. TRETHEWEY

Mr. D. A. Ross, President and General Manager of Canada Bread Company Limited, announces the appointment of Mr. N. T. Currie as Assistant General Manager in addition to his present position as Secretary-Treasurer of the Company. Mr. Eric E. Trethewey has been appointed Assistant Secretary-Treasurer, in addition to his duties as Comptroller.

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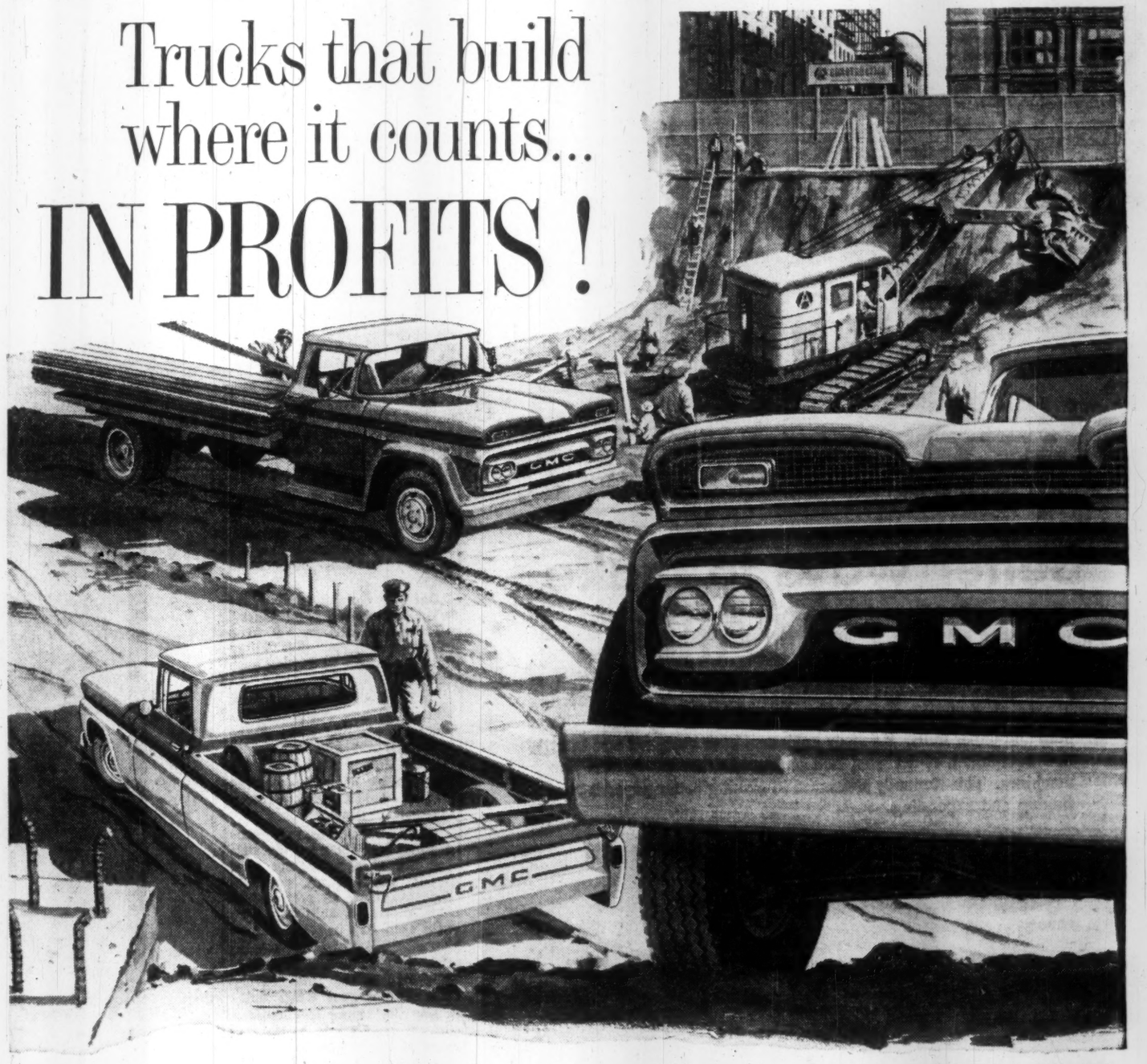

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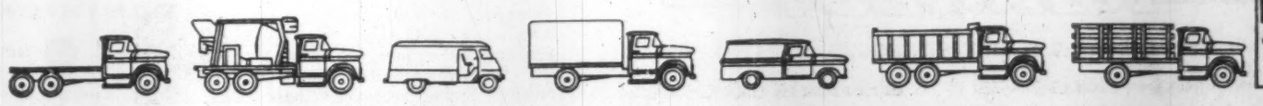

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ANNOUNCEMENT

North Star Oil Elects Officers and Directors

Following the Annual Meeting held 20 April North Star Oil Limited announced the election of the following Officers and Directors: Chairman of the Board, W. M. V. Ash, Toronto; President, A. Havelock, Winnipeg; Vice President, D. B. Vale, Toronto; Vice President, J. A. Downing, Calgary.

Directors elected are: W. M. V. Ash, Toronto; G. Davidson, Toronto; J. A. Downing, Calgary; C. A. Foster, Toronto; A. Havelock, Winnipeg; P. L. Kartzke, Calgary; T. A. Link, Calgary; R. P. Ritchie, Toronto; J. A. Ross, Toronto; D. B. Vale, Toronto.

Change in Ownership

In reviewing the affairs of the company, Mr. Havelock, who presided over the Annual Meeting, referred to the change in the ownership of the company and stated that Shell Oil of Canada Limited now owns 97.55% of the Common and 59.15% of Class A shares of the company acquired under an offer made to all shareholders.

Shell Offer expires 16th May

Mr. Havelock stated further that Shell of Canada has advised North Star that its offer to purchase the Common and Class A shares will expire 16th May, 1960 in accordance with the term of the offer.

Cree Oil of Canada

The Annual Meeting of Cree Oil of Canada (1958) Limited, wholly owned subsidiary of North Star Oil Limited, was held the same day. The following Officers and Directors were elected: Chairman of the Board, W. M. V. Ash, Toronto; President, Theo. A. Link, Calgary; Vice President, J. A. Downing, Calgary.

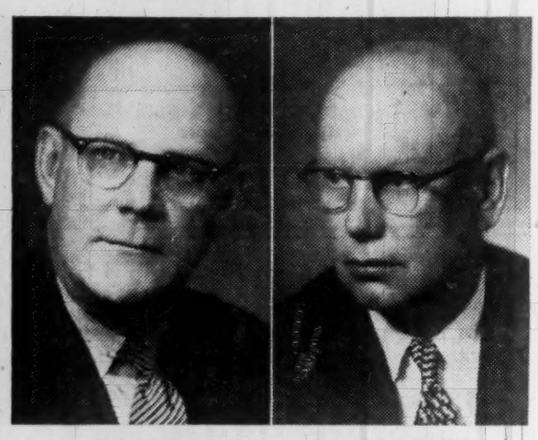
Directors are: W. M. V. Ash, Toronto; J. A. Downing, Calgary; W. L. Grossman, Calgary; A. Havelock, Winnipeg; P. L. Kartzke, Calgary; T. A. Link, Calgary; J. W. Roche, Calgary.

DUMP WAGON

A new hydraulic rear-dump motor wagon has been added to the **Allis-Chalmers** construction machinery line. Capacity is 12 tons—7.7 cu. yd. struck and 12 cu. yd. heaped. Feature is a differential which automatically controls amount of torque delivered to each drive wheel.

ANNOUNCEMENT

NEW STELCO DIRECTORS



LEE T. CRAIG — HAROLD M. GRIFFITH

At the 50th Annual Meeting of The Steel Company of Canada, Limited in Hamilton, Ontario, shareholders elected Lee T. Craig and Harold M. Griffith to the Company's Board of Directors. Mr. Craig, who has been with the Company since 1920, is vice president of sales. Mr. Griffith, vice president of operations, joined Stelco in 1936.

YOUR TAXES

An exclusive FP column of comment on the trends in personal and business taxation

Decide Accounting Method Case-by-Case, Judge Says

By *JOHN G. McDONALD, LL.M.*
McCarthy & McCarthy, Toronto

IN U. K. case of **Duple Motor Bodies vs. Ostime** (FP, Sept. 5, 1959), Vaisey J., decided that the direct cost method of valuing inventory was appropriate and to be preferred over the "on-cost" or overhead method in appropriate cases.

The Court of Appeal in England has now dismissed the Crown's appeal from the judgment of the lower court, and in so doing has laid down the important rule that the question of choice of accounting method must be determined on a case-by-case basis.

The Court said that it would be wrong to lay down any general principles concerning the applicability of any particular accounting method for income tax purposes, because each case must turn on its own facts.

The "on-cost" or overhead method of valuing closing inventory produced an artificially high income in the Duple Motors case in a year in which the company's actual business had diminished.

The direct cost method employed by the taxpayer reduced taxable income by £2,000, while the "on-cost" method increased it by £14,000.

This difference was attributable to the reduction of cost of sales arising from the higher value placed on closing inventory under the "on-cost" method.

The importance of the Duple Motors case in Canada is that a departmental direction made under section 43A of the Income Tax Act, may be ineffective.

The departmental direction requires that opening inventory shall be deemed to have been properly valued so as to exclude overhead charges, while adding such charges to closing inventory.

In other words, the artificial upward distortion of income required by the Revenue may now be prevented by reference to the Duple Motors decision.

Reserves Allowed For Deferred Revenue

Another recent case of interest to the accounting profession is **No. 703 vs. Minister of National Revenue,** in which the Tax Appeal Board dealt with the determination of a "reasonable amount" claimed as a reserve deduction in computing income from land sales.

The Income Tax Act permits an accrual basis taxpayer to deduct a reserve where payment of part of the purchase price is deferred for more than two years.

But for this allowance, a trader would find himself taxed at once on accounts receivable that would not be paid for several years, and he would thus be obliged to finance advance taxes.

Taxpayer No. 703 earned a gross profit of $30,000, of which $13,000 was not payable by the purchaser until more than two years after the transaction.

The land in question was sold for $93,000, of which $48,000 was payable in cash ($35,000 on closing and $13,000 three years later), and the balance was payable by assumption of a prior mortgage and agreement for sale.

The Department of National Revenue calculated the taxpayer's reserve deduction on the basis of the total sale price, as (approximately):

$$\frac{13}{93} \times \$30,000 = \$4,000$$

while the taxpayer based its claim upon a cash payable basis:

$$\frac{13}{48} \times \$30,000 = \$8,000$$

The Board upheld the taxpayer's claim as reasonable within the meaning of the statute.

Partnership Sale Capital Trade

The Exchequer Court held last month, in the case of **Minister of National Revenue vs. Strauss,** that a partnership interest is itself a capital asset, the proceeds of sale of which do not constitute taxable income.

The income of a partnership is taxable to the members of the firm annually — whether or not they withdraw their respective shares. But if a partner sells his interest in the firm — or just part of it — at a profit, he has a capital gain.

Bay St. Appeals Are Turned Down

Two recent appeals in the Tax Appeal Board affect Toronto Stock Exchange members.

In **Adams vs. Minister of National Revenue,** the Board upheld an assessment of $129,000 tax and interest received by George D. Adams of **Norris, Adams Ltd.**

Mr. Adams organized two private corporations in 1955 for the purpose of causing them to participate in his commission earnings from his firm.

The Board held that because the corporations in fact transacted no business themselves, but merely received the product of Adams' personal efforts, the income in question was properly taxed to Adams personally.

The Board's official reason for sustaining the assessment was that Adams had assigned the income to the companies after it had been earned by him, but added that if a further reason were needed, the companies could have been treated simply as Adams' agents.

In Mr. Fordham's words—

"Each was largely the alter ego of the appellant and what might be described as a simulacrum or cloak devised for the purpose of providing a repository for the appellant's future personal earnings.

"There was nothing contrary to law or irregular on the appellant's part in having these two companies formed for such a purpose, but the incidence of income tax was not affected thereby, where the appellant was concerned; in my view, it availed him nothing."

The other "broker" case, No. 701 vs. Minister of National Revenue involved **Jack Purcell & Co.,** which had agreed to pay No. 701 and four other individuals 90% of its net profits from brokerage business in consideration for certain loans to Purcell.

The original agreement was terminated in 1956 after the Toronto Stock Exchange objected to it, and replaced by a new agreement under which No. 701 became entitled to a lump sum of $99,000 payable by installments. The full amount was finally paid in 1957.

The appellant was then taxed on his gain as a "share of profits" of Purcell & Co.

The Board sustained the assessment on the ground that the lending group probably were an association, syndicate or partnership, and in any event had engaged in a joint adventure in the nature of trade — which is a taxable business under the Income Tax Act.

ANNOUNCEMENT

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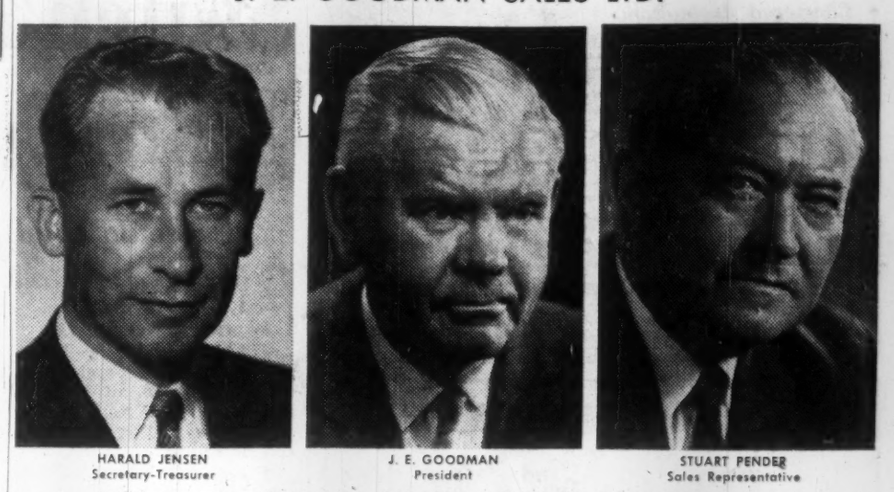
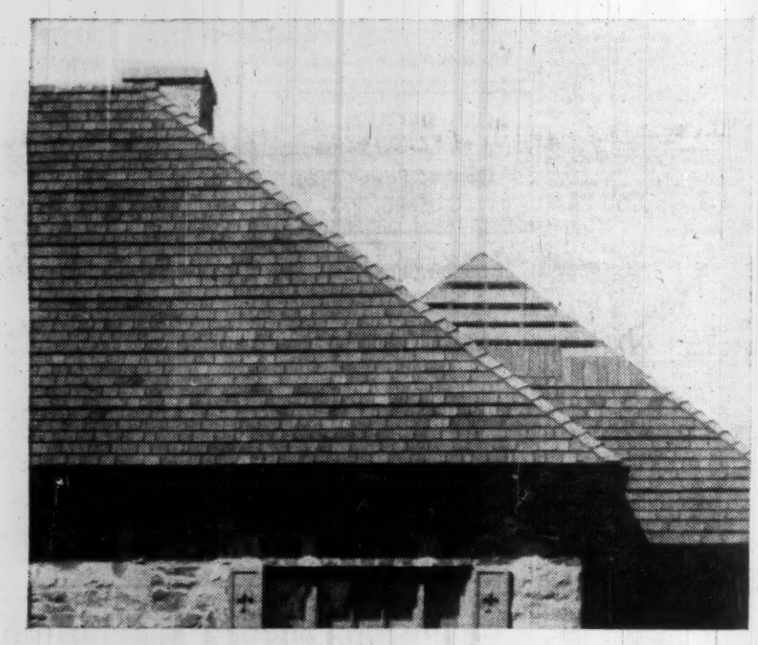


HARALD JENSEN, Secretary-Treasurer — J. E. GOODMAN, President — STUART PENDER, Sales Representative

H. Clements, managing director of Andre Rubber Company Limited, of London, England, has appointed J. E. Goodman Sales Limited to sell and service their construction and marine materials in Canada and these include, rubber/steel bridge bearings, dock and jetty fender units, anti-vibration mountings for machinery, flexible suction entries and flexible expansion pieces for flanged pipe lines. All of these materials will be available across Canada through existing outlets.

SERVICE CENTRE

Saskatchewan Power Corp. has bought a large warehouse building in Saskatoon from **Federated Co-operatives Ltd.,** for use as a natural gas and electrical service centre for the corporation's operations at Saskatoon. Building, located at Ontario Ave., and 34th St., will be used primarily as a service centre, but will also house the entire warehouse and stores facilities for Saskatoon, as well as repair shop and other facilities. Purchase price: $265,000.



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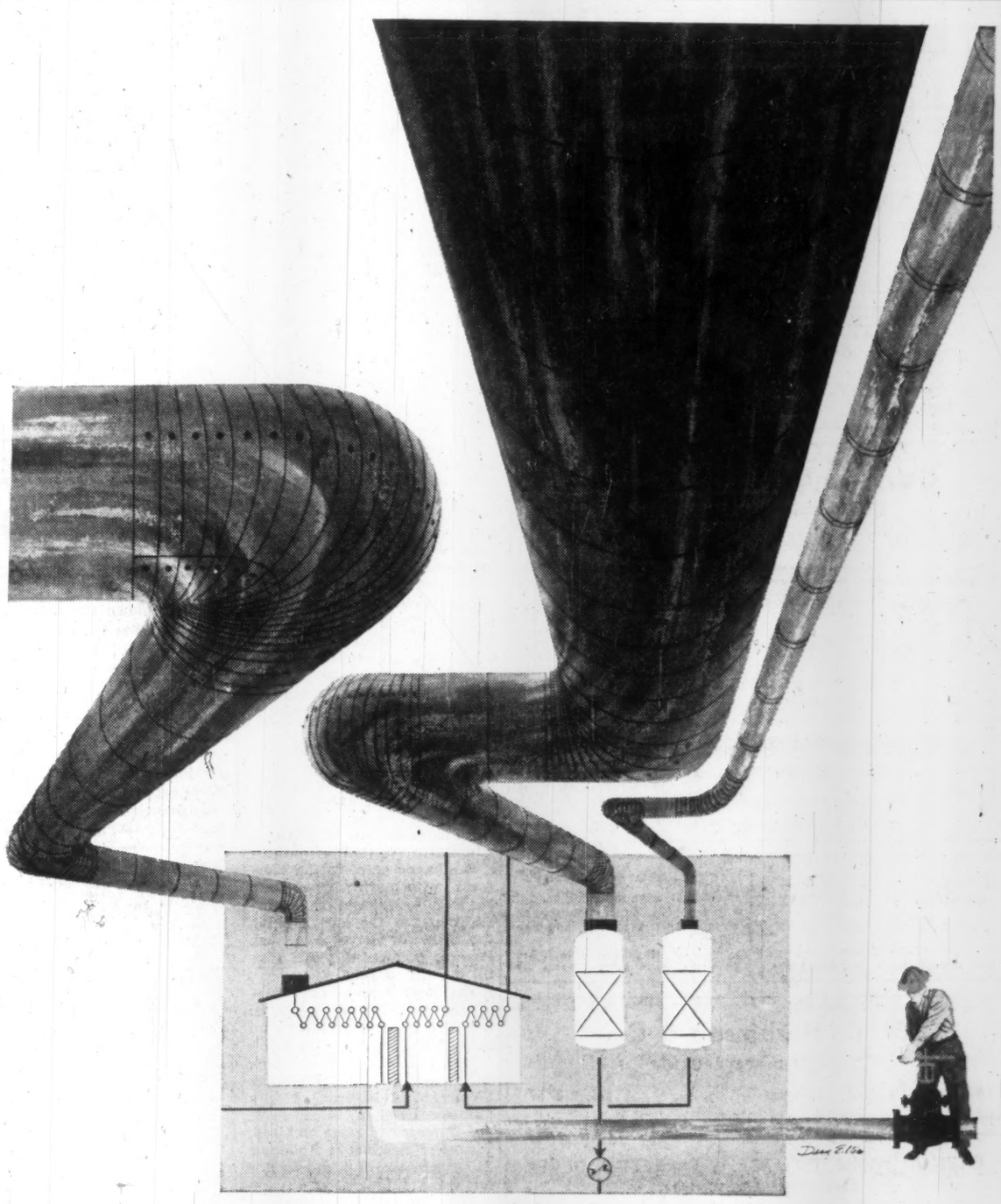

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Switch Defence Plan If Bomarc Scrapped

We could buy U. S. fighters, depend on the USAF, or take a chance with CF-100 squadrons . . .

By MICHAEL BARKWAY

OTTAWA (Staff) — If the U. S. does abandon development of the Bomarc B, all Canadian arrangements for North American defence will have to be reconsidered.

Senior government officials see three broad alternatives:

• **Supply RCAF squadrons** in the "Ottawa Sage Sector" with the most effective U. S. manned fighter available, the F106, in place of the missile.

• **Carry on with the installation of Sage,** to give U. S. fighters a "ground environment" which will enable them to operate over Canada—with or without use of Canadian bases.

• **Take a calculated risk,** abandon the whole Sage-Bomarc program, and go on operating the three Early Warning lines with CF-100 squadrons.

One reason none of these alternatives has been mentioned by Defence Minister Pearkes is that the U. S. government is still insisting (or was right up to mid-week) that it has not abandoned the Bomarc B, and still intends to fight for $40 million-$50 million of new money needed to complete its development.

Some senior observers here regard Pearkes' dilemma about the Bomarc as a copy-book illustration of the difficulties of conducting international relations with the U. S.

The division of power between the administration and the Congress makes it inevitable.

Other countries must conduct their relations with the administration, for which the president alone is responsible.

They may see administration proposals being battered, or overthrown, in the Congress, but they have no official relations with Congress.

Pearkes has been receiving repeated assurances from the U. S. Secretary of Defence that the administration is still fighting for the completion of its curtailed Bomarc program, in spite of the vote of one subcommittee of the House of Representatives.

As an ally and partner of the U. S. administration, the Canadian government cannot repudiate the Bomarc B plans.

To do so might easily cut the ground from under the administration's feet in the fight it says it means to put up.

Canada's repeated expressions of faith in Bomarc, therefore, need not mean that the government is blind to the possibilities.

No decisions can be taken on alternative possibilities until:

▸ **The hassle** between the Congress (with much support from the U. S. Army) and the administration (so far still backing the U. S. Air Force) is settled. Pearkes predicts this will take till the end of June.

▸ **The joint defence committee** of the two cabinets has met, as it is due to meet in Ottawa on July 12 and 13.

(It consists of Defence Minister Pearkes, Finance Minister Fleming and External Affairs Minister Green on Canada's side and Defence Secretary McElroy, Treasury Secretary Anderson and Secretary of State Herter for the U. S.).

But the three alternative courses for Canada are getting considerable examination here by the armed services and the concerned officials, if not yet by ministers.

A substantial slice of the money saved by the U. S. government on Bomarcs will be spent, it is understood here, on improving the effectiveness of the latest manned fighter, the F106.

This indicates that, though the threat of the manned bomber may have been downgraded, the U. S. Air Force is still seriously concerned to improve anti-bomber defences, specially in the North-East.

Undoubtedly the U. S. Air Force would like Canada to re-equip its home defence squadrons with the F106.

The proposition could be sweetened by ensuring that the U. S. government would buy Canadair's CL44 freighter in exchange.

But the government is understood to be extremely reluctant to embark on such a major, and very expensive, re-equipment after canceling the Arrow.

In justifying the Arrow cancellation, Diefenbaker and Pearkes have both said much more this year than they did last year to minimize the threat of the manned bomber.

It is agreed that right now the Russians have not enough atomic warheads for their ICBM missile to permit anything like the necessary "saturation" of their essential targets in U. S.

For the present their "nuclear deterrent" depends, like the U. S. deterrent striking force, on manned bombers, of which they still have about 1,000 in service.

But expert speculation about how long this state of affairs may continue never runs beyond a few years.

Maybe in three years, maybe in five, the nuclear striking power of the USSR will be composed of missiles.

Expensive re-equipment of the RCAF fighter squadrons would be of value for only this 3-5-year period.

The political, or politico-military, signs nearly all indicate that there is absolutely no Russian intention of launching an attack within this period.

Thus strong arguments are found here for taking a "calculated risk", and riding during this period on the anti-aircraft defences we already have.

The CF-100, it is said, may be obsolescent, or even obsolete. But obsolescence is never an absolute matter.

It would still be useful during the "risk period". So would the existing Early Warning lines.

But there would be no case for completing Sage in Canada, because there would be no interceptors for it to control.

Immediately, however, arises the possibility that the U. S. Air Force would bring heavy pressure to bear for completion of the Sage installations, so that its own fighters at least could operate over Canada.

A compromise plan, therefore, can be envisaged by which Canada would complete the Sage installations for the benefit of the USAF.

This compromise however could immediately lead to another difficulty.

If Canada encouraged USAF to plan on intercepting attacking bombers over Canada, it would be natural for USAF to want the further assistance of stationing its interceptors in Canada.

If North Bay and Mont Laurier, and the fighter bases to be controlled from these centres, are to be fully Saged without either Bomarcs or Canadian fighters to control, should Canada allow U. S. fighters to be stationed in the Ottawa Sector?

The political implications of such agreement have always daunted Canadian governments.

Financially, abandonment of both Bomarc and Sage would save Canada a maximum of $125 million spread over several years.

In the present year, the estimates provide just under $21.5 million, which probably will not be all spent anyway.

This is divided as follows:

• **For the Bomarc bases** at North Bay and Mont Laurier: $8 million.

• **For the installations** to house Sage computers and equipment at the same site: $7,850,000.

• **For construction work** on new heavy radars and gap-fillers: $5,572,000.

Out of this, expenditure incurred to date on the Bomarc bases comes to just under $500,000, all of it at North Bay.

Tenders are in for the base at Mont Laurier, but no contract has been let.

Here Are Odds on Bomarc Escaping Congress's Axe

From Our Own Correspondent

WASHINGTON — Only two things can save the Bomarc from going down the drain:

• **The Eisenhower administration** could launch an intensive campaign to have Congress provide at least enough money for the Canadian Bomarc missiles.

• **The Senate** could persuade the House of Representatives to agree to providing more money than just enough for Bomarc funeral expenses.

The chances of either of these things happening, however, are currently rated well under 50-50.

The debate on Bomarc and the whole U. S. defence appropriations bill got under way in the House at midweek with every indication that the Congressmen would approve the decapitation of Bomarc as recommended by the appropriations committee.

The administration probably will urge Congress to provide more money for Bomarc, but the intensity of that urging is the key question.

Right now, most observers are doubtful the administration effort will be an especially strong one.

The Senate always has been more partial to Bomarc than the House and it may make an effort to put more Bomarc money back into the budget.

Washington State Senator Henry Jackson, Democrat, plans to make a strong plea for this action.

But if the bill as it now stands, passes overwhelmingly in the House, as seems likely, there appears to be only a narrow chance the Senate would make the necessary effort to change the mind of the House.

In addition, other, and to most Congressmen, more important, legislation must be dealt with in a hurry if Congress is to call it quits in time for the presidential political conventions in mid-July.

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May 3, 1960

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British Newfoundland	2.50	3.00
Cdn. Admiral Corp.	14.00	16.00
Cdn. Canners B	10.75	....
Cdn Corp Management	8.00	8.75
Cdn & Foreign Sec's	8.00	....
Cdn Gen Insce	500.00	600.00
Capital Wire Cloth	20.00	....
Cawthra Apts	56.00	....
Commercial Life 20% paid	32.50	....
Commercial Finance	60.00	70.00
Concourse Bldg.	140.00	170.00
Copp Clark 6% Pfd.	80.00	85.00
Crown Life Insce.	173.00	....
Debentures & Secs pfd.	80.00	....
Dollar Land Corp Units ($100, 7% deb & 6 common)	162.00	166.00
Dom. Can. Gen. Insce.	43.00	49.00
Dom. Linseed Oil units	3.00	....
Dominion Life Assce.	165.00	200.00
Eastern Trust	26.00	....
Do. Rights	.85	1.10
Essex Packers pfd.	32.00	....
Do. common	2.35	....
Excelsior Life	170.00	200.00
Fruehauf Trailer Warr.	.75	1.50
Goderich Elevator	18.00	19.00
Granite Club	13.50	14.50
Gt. Britain Can. Inv., pfd.	85.00	89.00
Do. com.	20.00	22.00
Great-West. Life	320.00	326.00
Guar. Co. N. A. fully paid	110.00	150.00
Do. 20% paid	70.00	....
Halton & Peel Trust	12.75	13.25
Hart Battery (1957) units	3.00	....
Hees, George $6 pfd.	....	25.00
Hudson's Bay Co.	23.25	23.75
Humberstone Shoe	7.00	....
Industrial Mtge. & Trust	108.00	....
Ingersoll Machine 4% pfd.	80.00	....
Do. B	....	4.50
Jenkins Bros.	63.00	....
London Life Insce.	167.00	175.00
Lord Simcoe Hotel A	....	1.00
McCarthy Milling A	4.00	....
Manufacturers Life*	250.00	....
Do.†	243.00	....
Do.‡	240.00	....
Maritime Life	122.00	....
Meadowvale Development	3.20	3.45
Mindustrial Corp.	1.35	1.55
Monarch Life	46.00	55.00
Mutual Finance Corp pfd.	.75	....
National Life Assce. new	59.50	62.00
Pacific Western Airlines	2.00	2.25
Park Lawn Cemetery	2.25	2.75
Pembroke Electric Light	75.00	....
Phillips Electrical	6.00	6.75
Prairie Royalty Trust	1.75	....
Prudential Trust	21.00	....
S.K.D. Mfg. 6% pfd.	9.35	10.00
Scott Misener S.S.	14.50	15.50
Sovereign Life 25% Paid	190.00	205.00
Steelman Gas	2.00	2.50
Standard Fuel pfd.	33.00	36.00
Teleflex Ltd.	16.75	18.00
Thompson Paper pfd.	45.00	48.00
Tor & London Invs	2.20	2.70
Tor. Medical Arts Bldg.	57.00	63.00
Trans-Canada Freezers warr.	.90	....
Triarch Corp	112.00	115.00
Universal Cooler 6% pfd.	83.00	....
Do. B pfd.	2.00	3.00
Waterloo Mfg.	8.50	....
Waterloo Trust	46.25	47.25
Westcoast Transmission	12.75	13.25
Western Assurance	79.00	82.00
Western Life 25% paid	104.00	....

*Original pledged stock.
†Later pledged.
‡Unpledged.

Patino Okays Portage Start

Fresh from financing one Chibougamau area copper mine to production, **Patino of Canada** has now committed itself to a second.

At the annual meeting of Patino, President E. R. E. Carter told shareholders that the decision to put **Portage Island (Chibougamau) Mines** into production had been made.

Patino is committed to financing $750,000 of the cost.

The first producer, **Copper Rand Mines,** reached capacity production of 1,500 tons per day during March and had a first quarter operating profit of about $422,000 at 28c copper, he said.

Insurance Men Choose Poole

The Toronto Insurance Conference has elected Charles H. Poole as president for 1960. Mr. Poole is vice-president of **Tuckett-Little & Firstbrook Ltd.**

POOLE

Representing 60 agencies in the Metropolitan Toronto area, the conference was founded in 1918 to foster and encourage good practice in the non-life insurance business.

Other officers elected for the current year are:

First vice-president, Jarvis Truscott, **Topp, Truscott & Co.**

Second vice-president, George M. Hargraft, **Geo. R. Hargraft & Co.**

Honorary treasurer, Victor W. Willoughby, **Reed, Shaw & McNaught.**

Company Reports

Public Utilities

QUEBEC TELEPHONE CO., Rimouski, Que., consolidated net profit of $1,325,063 in 1959 was 28.6% higher than 1958's $1,030,786.

Due principally to higher rates, local service revenue increased by 24%, compared with a 12.4% gain in 1958. Toll revenue rose 24.1%, reflecting a greater use of toll services and increased rentals from leased facilities. The 16.1% rise in revenue from other sources was accounted for mainly by an increase in directory advertising, President J. A. Brillant reports.

Almost $4 million was spent on construction, compared with $5.8 million in 1958. Number of telephones in service increased to 58,582 from 52,043 at previous year-end.

(See also p. 71).

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1959	1958
Gross revenue	$7,955,144	$6,460,026
Net earnings	4,239,670	3,316,094
Less: Deprec.	1,063,890	848,161
Bond interest	505,401	509,693
Disc. & exp. w/d	20,623	20,623
Income tax†	1,324,693	906,831
Net profit	1,325,063	1,030,786
Less: Cl. A divds.	511	581
5% Pref.	185,872	191,605
5½% Pref.	109,725	27,500
Common	590,871	522,574
Surplus for year	438,084	288,526

†Includes $480,410 in 1959 and $550,825 in 1958, not currently payable due to claiming excess depreciation for income tax purposes.

Times Interest Earned:		
Before deprec.	8.39	6.51
After deprec.	6.28	4.84
Earnings per Share‡ and Dividend Record:		
Preferred	$4.70	$3.59
5% Pref. Paid	1.00	1.00
5½% Pref. Paid	1.10	†0.275
Class A	1,665.80	1,062.41
Paid	0.75	0.75
Common	1.57	1.24
Paid	0.90	0.90

‡Based on capitalization at year-end.
†Initial quarterly payt.

Shares o/s at Dec. 31:		
5% Pref., $20 par	183,064	187,076
5½% Pref., $20 par	98,900	100,000
Class A, $15 par	618	764
Common, n.p.v.	657,458	655,381

CONDENSED BALANCE SHEET

As at Dec. 31:	1959	1958
Cash & invests.	$222,147	$823,994
Accts. rec., less res.	3,694,363	892,463
Mats. & supplies	241,857	147,261
Prepayments	161,129	100,302
Total curr. assets	4,319,496	1,964,020
Cash on deposit	12,614	13,107
Deferred charges	431,003	282,069
Sinking fund	9,735	18,672
Fixed assets	29,819,166	25,900,298
Total assets	34,592,014	28,178,166
Bank loan	1,370,000	....
Accts. & tax. pay.	1,306,538	672,453
Other curr. liab.	180,249	181,817
Total curr. liab.	2,856,787	854,270
Funded debt	12,966,500	10,062,000
Def. taxes	1,803,132	1,222,721
Depres. res.	4,230,297	3,555,037
Capital stock	9,994,313	10,081,237
Earned surplus	2,740,985	2,302,901
Working capital	1,462,709	1,109,750

Dividend Changes

CANADIAN INTERNATIONAL INVESTMENT TRUST—Common, 20 cents payable June 1 to holders of record May 13; ex-dividend May 11. Total payable or paid to date in 1960, 70 cents; total paid to same date in 1959, 55 cents; total paid in 1959, 85 cents. Recent price: $19.

CANADIAN WESTERN NATURAL GAS—New ordinary, 17½ cents payable May 31 to holders of record May 16. This is the first dividend declared on this stock following a 2-for-1 stock split.

GIANT YELLOWKNIFE GOLD MINES—Common, 10 cents plus 5 cents extra, payable June 27 to holders of record May 27; ex-dividend May 25. Total payable or paid to date in 1960, 20 cents plus 5 cents extra; total paid to same date in 1959, 30 cents; total paid in 1959, 50 cents. Recent price: $10.

HI-TOWER DRILLING — Common, 40 cents, payable June 1 to holders of record May 16; ex-dividend May 12. Total payable to date in 1960, 40 cents; total paid to same date in 1959, 30 cents; total paid in 1959, 60 cents. Recent price: $7.50.

INTERNATIONAL NICKEL CO. OF CANADA—New common, 37½ cents (U. S. funds) payable June 20 to holders of record June 8; ex-dividend June 6. This is the first dividend declared following a 2-for-1 stock split in April, 1960. Recent price: $50.

MACMILLAN, BLOEDEL AND POWELL RIVER—Common, 15 cents plus 8 cents extra, payable June 15 to holders of record May 13; ex-dividend May 11. This is the first extra declared on this stock. Recent price: $14⅞.

MINING CORP. OF CANADA—Common, 25 cents, payable June 30 to holders of record June 1; ex-dividend May 30. Total payable to date in 1960, 25 cents; total paid to same date in 1959, 25 cents; total paid in 1959, 60 cents. Recent price: $11⅛.

NOVA SCOTIA TRUST — Common, 45 cents, payable May 15 to holders of record April 30. Total payable to date in 1960, 45 cents; total paid to same date in 1959, 40 cents; total paid in 1959, 80 cents plus 5 cents extra.

REEVES MACDONALD MINES — Common, 20 cents payable June 27 to holders of record May 28; ex-dividend May 25. On December 15, 1959, 12½ cents was paid. Recent price: $1.90.

STANDARD BRANDS INC.—Common, 40 cents (U. S. funds), payable June 15 to holders of record May 16; ex-dividend May 12. Total payable or paid to date in 1960, 77½ cents (U. S. funds); total paid in 1959, following 2-for-1 stock split, 37½ cents (U. S. funds). Recent price: $37¼.

TRANS-PRAIRIE PIPELINES — Common, 15 cents, payable June 15 to holders of record June 1; ex-dividend May 30. This is the initial dividend on this stock. Recent price: $12½.

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SELECTED GROWTH STOCKS

This is an exclusive series on 26 Selected Growth Stocks chosen by one of the continent's most prominent and successful investment advisers. Each company will be reviewed here quarterly. This series does not constitute a recommendation to buy.

Aluminium's Profit Up Sharply Strong Sales Gain in Quarter

- *Fast-rising aluminum demand spurs expansion . . .*
- *Moore Corp. earnings up 23%, bookings improve . . .*

By NESTOR

ALUMINIUM LTD. reports rising profits and a rash of expansion.

Profits:

Estimated consolidated net profit in the first quarter of $9 million (about 30c a share) compared with $2.3 million (8c) in corresponding 1959. First quarter 1959 was the worst quarter in recent years.

Consolidated sales were a strong 180,000 tons in this year's quarter compared with 124,000 last year.

Net profit for all 1959 was $24.1 million (79c a share) compared with $22.5 million (74c) the year previous.

Expansion:

- **Expenditure of $6.5 million** at the Arvida, Kitimat and Isle Maligne smelters to meet rising demand for extrusion billets and sheet ingot, rather than the traditional ingots.
- **Expenditure of $4 million** at Kitimat to continue with buildings which eventually will house 80,000-ton capacity. Machinery installation hasn't yet been scheduled.
- **Latest in the company's** fast-moving growth in fabrication are decisions for a sheet and extrusion operation in Colombia, utensil and collapsible tube factory in Venezuela, two plants for aluminum corrugated building sheet in East Africa. Initial capital investment is small.
- **A national marketing program** for the household aluminum foil produced by **Aluminum Co. of Canada**, company's large operating subsidiary.

All this reflects two big trends:

—Demand for aluminum is rising quickly, especially in non-U. S. markets.

—Aluminium Ltd., along with other major world producers, continues to move deeper into the aluminum fabricating business.

Canadian smelters, reflecting improved business, are operating at about 90% of capacity or at a rate of some 680,000 tons annually.

Aluminium says its sharp rise in profit this year is mainly a result of better sales. But three other factors are involved.

Altered accounting, aimed at smoothing out the effect on earnings of seasonal shipping changes, increased first quarter earnings by $500,000, but over the whole year may mean about $1 million or more in deferred profit.

Also, 25% of payments this year resulting from a large contract cancellation (**FP**, Feb. 20) was allocated to the first quarter. **This added $1.1 million after taxes.**

And, in the first quarter, **company had a profit of $1.1 million on redemption of debt, reflecting accelerated debt retirement.**

Company says competition remains keen, with a varied and confusing world price structure.

About 25,000 employees will be eligible to buy stock under a new purchase plan covering 300,000 shares, at $25 per share.

At recent market price of $28½, common stock is 10% above UV level ($26), could rise 93% before reaching OV level ($55). Price is 36.1 times 1959 earnings of 79c per share. Yield is 2.11% at indicated annual dividend rate of 60c (U. S.) per share. Price this year has ranged between a high of $33⅞, a low of $28.

* * *

MOORE CORP. consolidated net profit for first quarter 1960 climbed 23.2% to $3,281,098 ($2,663,873 a year ago). Earnings were equivalent to 50c per common share (41c a year ago, adjusted for 3-for-1 stock split).

Sales for the quarter were up 15.6% to $39.2 million ($33.9 million).

Despite very competitive conditions, company has been able to increase profit margins through higher sales volume and improved manufacturing efficiency. Profit per sales dollar in the latest three months amounted to 8.4c, compared with 7.9c a year ago, 8.3c for full year 1959 and 7.8c for full year 1958.

W. N. McLeod, chairman, and T. S. Duncanson, president, report that "increased volume of sales together with the backlog of orders brought forward at the beginning of the year provided good manufacturing conditions."

Commenting on the outlook, they state: "Order bookings continue to show improvement and the outlook for the first six months of the year is good."

President Duncanson indicated at the annual meeting that continuous forms usage is exceeding expectations. The new "Speediflex" multiple-part continuous form (introduced late last year) makes up about 10% of present continuous forms output. Plans call for gradual changeover at company's 10 continuous forms plants as demand and equipment availability permits.

Moore is forming a fourth operating division with headquarters in Chicago to permit more intensive development of the U. S. Mid-West area.

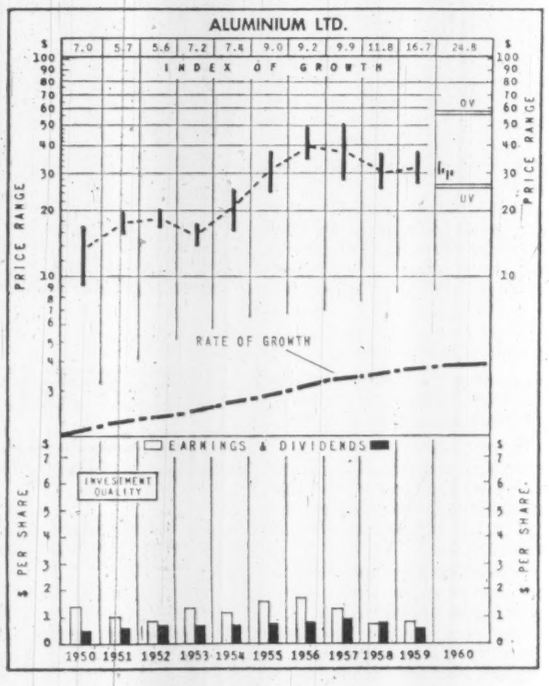
Planned capital expenditures amounting to $6.7 million for 1960 include new plants at Lewisburg, Pa., and Sunnyvale, Calif. Also scheduled is a major addition at the Heflin, Ala., plant.

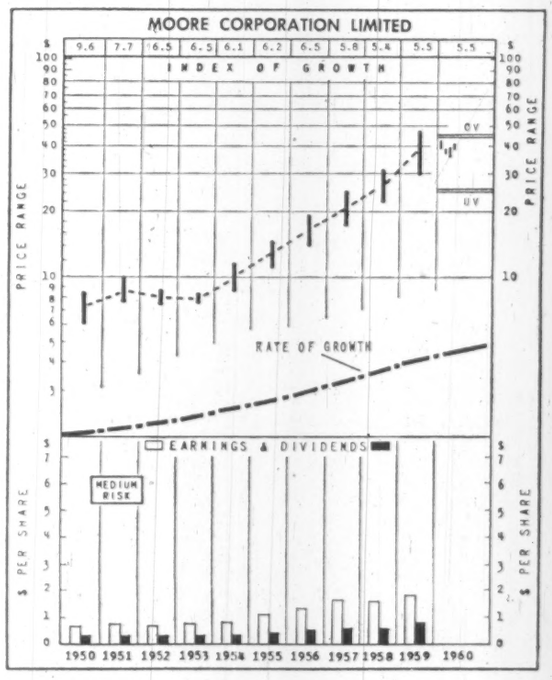
Consolidated net profit for 1959 was $12 million ($1.82 per share), 19.8% higher than previous year's $10 million ($1.53). Sales rose 13% to a record $144.3 million.

Income of wholly-owned subsidiary, **Kidder Press Co.**, Dover, N.H., equal to 5c per Moore share, declined about 5% from 1958. Kidder's business continues to expand, the small earnings drop in 1959 reflecting the necessity of farming out certain business (at reduced profit) when Moore's own requirements for specialty equipment exceeded expectations.

Moore's investment in Kidder at end of 1959 amounted to $1,297,045, including $750,000 advanced during the year for working capital.

At recent market price of $40½, common stock is 62% above UV level ($25), could rise 9% before reaching OV level ($44). Price is 22.2 times 1959 earnings of $1.82 per share. Yield is 1.97% at indicated annual dividend rate of 80c (U.S.) per share. Price this year has ranged between a high of $43¾, a low of $35½.





How to Read Nestor's Special Stock Charts

INDEX OF GROWTH: The rate at which the value of the equity behind the stock is doubling as determined by the growth rate at which it entered the year. A figure of 5.6 for the present year would indicate that at its current growth rate the equity value is doubling every 5.6 years.

PRICE RANGE: The annual high, low and mean price. Monthly ranges for the current year.

UNDERVALUATION AND OVERVALUATION PRICE LEVELS: Shown by the narrow horizontal lines above and below the stock's price range indicating price at which the particular stock is adjudged as underestimating or overestimating its future rate of growth. A stock showing a fast growth rate will sometimes anticipate growth by two or three years. In this case it may not be so attractive a purchase relatively as some other fast-growing stock that is not anticipating its growth beyond the immediate present. Other factors such as rate of growth and investment quality will also enter into the comparison an investor will want to make.

Without these UV or OV levels a current quotation of, say, 55 or 75 would carry no significance regarding long-range value. The UV/OV levels also permit judgment as between one stock and another. They are not designated points of purchase or sale nor do they attempt to show what will be a stock's bottom or top figures in any given year.

RATE OF GROWTH: The rate as based on Nestor's tests at which the company is showing underlying or long-term growth. This will determine the price trend of the company's common stock over a period of years and in most instances the trend of dividend payments.

**Background and principles behind the selection by Nestor were discussed in a special article in FP Jan. 10, 1953. A limited number of reprints are available on request.*

Manufacturing

GENERAL PRODUCTS MANUFACTURING CORP., London, Ont., consolidated net profit of $261,319 for 1959 was 3.9% lower than 1958's net of $272,044.

President J. D. Judge reports that imports from low wage countries, increased labor costs, unrealistic competitive pricing and increased costs of capital additions, were major influences on company's ability to achieve proper share of market at prices yielding a "reasonable return".

Large capital outlay, to change over from full-fashioned to seamless hosiery, drastically reduced earnings, Mr. Judge says. Sales of Supersilk Hosiery Mills were slightly below those of 1958.

MacCraft Industries earnings fell, although sales were the same as in 1958. Prices were depressed due to imports from Japan and central Europe, it is stated.

Molded plywood hulls have been added to MacCraft's line, and President Judge points out that "interesting volume" has been booked for the 1960 season.

Sales and earnings of **Metal Fabricators Ltd.** increased. During the year, new sales outlets were established, additional product lines introduced and existing lines restyled.

Price cutting also affected the results of **Richards-Wilcox Canadian Co.**

A warehouse and office were established by **Standard Tube & T. J. Ltd.** in Vancouver, and additions made to warehouses in Toronto and Montreal. In addition, a tube welding mill was installed in Montreal.

Company anticipates "modest" growth in 1960.

Company Reports

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1959	1958
Net earnings†♦	$969,091	$918,682
Less: Deprec.	419,931	358,682
Taxes†	287,841	287,356
Net prof. & surp.	261,319	272,044

†In 1959 and 1958 depreciation recorded in accts. exceeded that available for tax purposes. Excess taxes thereby payable in this amt. of $22,175 in 1959 and $10,900 in 1958 have been deducted from deferred income tax accumulated over prior years.

♦After provision for minority interest.

Earnings per Share and Dividend Record:		
A & B	$2.61	$2.72
Paid	*	*

*Stock divd. equivalent of 50c per sh. paid July, 1958; equivalent of 75c per sh. paid Jan., 1959; equivalent of 50c paid July, 1959, and equivalent of 75c paid Jan., 1960.

Shares o/s at Dec. 31:		
Class A, n.p.v.	75,000	75,000
Class B, n.p.v.	25,000	25,000

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1959	1958
Cash	$26,611	$346,232
Life ins., c.s.v.	13,681	13,139
Dom. of Can. bds.†	965,713	893,470
Accts. rec., less res.	4,070,450	3,445,972
Prep. exp., etc.	132,746	138,784
Inventories	4,451,308	4,035,175
Total curr. assets	9,660,509	8,873,772
Investments	625,406	636,445
Fixed assets*	4,257,575	3,989,937
Total assets	14,543,490	13,519,154
Bank loan	2,745,000	2,470,000
Taxes	381,712	400,973
Accts., etc., pay.	1,840,517	1,411,895
Total curr. liab.	4,967,229	4,282,868
Cont. res.	200,000	200,000
Def. inc. tax	243,011	265,187
Minor. int.	2,966,325	2,740,494
Capital stock	25,000	25,000
Tax-paid undistr. inc.	818,053	943,053
Surplus	5,323,872	5,062,552
†Market value	966,325	894,595
*After depr. of	5,096,259	4,656,796
Working capital	4,693,280	4,389,904

AD FIRMS MERGE

Business of **A. J. Denne & Co.** has been acquired by **Crombie Advertising Co.** and the Denne firm has been merged with the Toronto office of Crombie.

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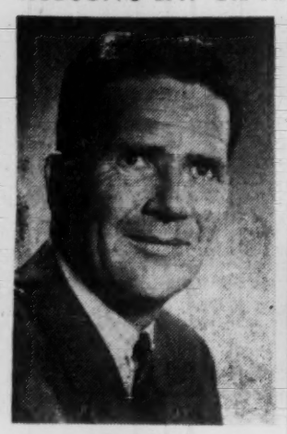
ANNOUNCEMENT

HUDSON'S BAY OIL AND GAS APPOINTMENTS



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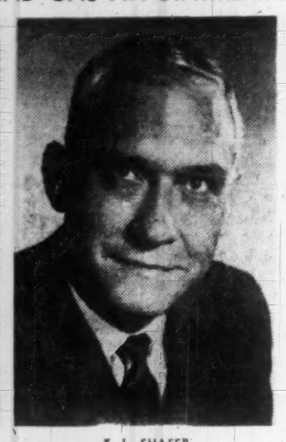

E. L. SHAFER

D. Carlton Jones has been appointed general manager of the production department of Hudson's Bay Oil and Gas Company Limited effective May 1, it was announced recently by G. T. Pearson, president.

Mr. Jones replaces E. L. Shafer, vice-president and general manager of production, who resigned from the company to accept an appointment as assistant regional general manager of Continental Oil Company's Rocky Mountain region. He will be headquartered at Denver, Colorado.

Mr. Jones joined the company's engineering staff in October of 1954 and was appointed assistant manager of production in September of 1957. He began his petroleum and natural gas career in 1945 following other engineering assignments in eastern Canada and Calgary.

A native of Vulcan, Alberta, Mr. Jones received his elementary education there prior to technical training at the Institute of Technology and Art, in Calgary. Later, he attended the University of Alberta and graduated from McGill University with his Bachelor of Engineering degree in 1937.

He is president of the Association of Professional Engineers of Alberta and a member of the Engineering Institute of Canada and the Canadian Institute of Mining and Metallurgy. Mr. Jones is a vice-president and a director of Alberta Gas Trunk Line Company Limited.

Mr. Shafer was born in Oklahoma and he graduated from the New Mexico School of Mines in 1947 with a B.Sc. degree in Petroleum Engineering. Upon graduation he joined Continental and held a number of positions in the production department of that company until 1952 when he joined Hudson's Bay Oil and Gas Company Limited as general manager of production. He was appointed a vice-president in October of 1954.

Set New Trend In Farm Drugs

Drug-makers are expanding sales by selling direct to farmers, side-stepping the vet in treatment of minor animal ailments . . .

A revitalized Quebec company is riding a controversial farm trend to the tune of sales increases of 25% annually and a 150% jump in the work force since 1955.

Gardo Products Ltd., of Waterloo, Que., once did its processing and dispensing in an old blacksmith shop purchased by veterinarian Dr. Victor Gariepy.

Now President, Gariepy heads a growing organization which turns out veterinary medicines and food additives from a new 15,000 sq. ft. building.

GARIEPY

The company's success in expanding its direct-to-the-user business through wide areas of Eastern Ontario, Quebec and the Maritimes represents a considerable change on rural acres.

As farms get larger and more business-like — and as some become tied closely to big buyers, such as packing houses — the operators often want to buy more medicines direct from the maker.

This tends to elbow the rural veterinarian out of the picture.

"We don't like it too well," says a major supplier of medicines to the vets. "But it can't be changed, and probably will become more widespread.

"The main thing is to keep it under control — to make sure that vets are still called when really needed."

A number of companies have done a booming business in selling direct to farmers. Gardo, one of the most successful, claims it has no intention of replacing the vet.

It starts with the premise that curative and preventive drugs should be available for farmers whose animals have minor ailments.

It adds specific instructions in layman's language and puts a force of salesmen on the road.

Companies such as Gardo see this development as parallel with treatment of colds and minor sicknesses by humans, without calling in the doctor.

EDEN

Veterinarian Gariepy had no idea where Gardo would take him when he started the firm in 1937.

He hoped it would deal efficiently with his "nuisance" calls, leaving him free to treat more serious cases.

Thus began a very small local direct-mail business.

He found he couldn't devote sufficient time to the business. It limped along until 1950 when Lawrence Eden and Frank Daigle, both of Waterloo, became interested in its commercial possibilities and pooled their resources and initiative with Gariepy's.

Preliminary studies and surveys soon revealed the need for:

- **Additional new products** to be prepared to Gariepy's formulations.
- **An organized sales staff** to introduce the products to co-operatives and dealers; and to drug, grain and general stores.
- **Revised packaging** to promote point-of-purchase sales.

DAIGLE

Daigle looks after the financial end; Eden, production; and Gariepy, veterinarian consulting and new product development.

In recalling early attempts to get financing, Daigle says: "We wouldn't have had half the trouble if we had been a new business.

"Our problem was to convince the banks that Gardo could become a profit-making organization after remaining static for so many years."

They managed to obtain the services of a factoring company for the first six months of operation and since then the record has been one of great growth.

The company doesn't reveal its sales but says business doubled each year for the first four years and has shown a steady 25% annual increase since.

The facelifted blacksmith shop was obviously not adequate.

In 1957 Gardo started a five-year expansion program designed to demolish the old site and build a modern processing and packaging plant, completed it in 1958.

Two classes of veterinary medicines are processed:

- **Curative:** Wormers, indigestion and constipation remedies, penicillin and sulpha ointments.
- **Preventative:** Vitamins, minerals and nutritional additives which farmers add to feed and which feed mills purchase for use in the preparation of balanced rations.

A professional company was called in to create a new brand image and all glass, cans and boxes used in the packaging operation are being changed to the new blue and yellow design.

An illustrated booklet written by Gariepy, and printed in English and French, provides such information for farmers as normal pulse, temperature, respiration, etc., of animals.

Line drawings illustrate common ailments and methods of administering various medicines.

The company has 45 employees compared with 18 in 1955.

Three of the full-time sales staff of 30 are agricultural representatives, qualified in animal husbandry. New salesmen must undergo in-plant training to familiarize themselves with products and methods. Route training is under a sales supervisor.

Gardo is fully represented in Quebec, the Maritimes and Eastern Ontario. New territory is steadily being added.

Gardo is installing tanks and pumps in preparation for expansion into insecticides.

One 5,000-gal. basic storage tank is already in place for cattle and barn spray. Eden is setting up a line for aerosol spray for home use.

Quebec Set for Big Boom In Electric Heating Sales

MONTREAL (Staff) — Electric heating may be set for a major boom in Quebec over the next three years.

Manufacturers of heating equipment see increases of as much as 500% from the present 5,000 to 6,000 housing units now using electricity for this purpose.

Quebec Hydro isn't "pushing" it as hard as **Ontario Hydro**, Quebec manufacturers report.

But pressure from natural gas has produced more competitive electricity rates in the province.

Right now they run between 10% and 15% above the cost for oil heat, says one official.

Considerable interest surrounds a new eight-building, 64-apartment project in the Town of St. Michel in suburban Montreal. Occupants get all possible services through electricity.

The heating system was devised and installed by **Standard Electric Heating Products Ltd.** Total cost: $24,000.

The system is designed to take maximum advantage of Quebec Hydro's residential demand rate.

It includes a Mears load regulator that automatically turns off un-needed equipment to prevent the load exceeding the demand rate.

Standard Electric's president, William E. White, reports that cost works out at "as low as 1.2c per kilowatt-hour."

"We think the rate should be still lower," White told **FP**.

"That is the only way the hydro companies are going to beat out natural gas.

"A 500% increase in electric home heating during the next three years is not a wild guess.

"There was that sort of increase in the U. S. when natural gas came on the scene and it will be the same in Quebec."

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Scudder Fund of Canada Increases Bond Holdings

Scudder Fund of Canada Ltd., U. S.-owned Canadian mutual fund, net asset value per share fell 4.8% to $11.38 (Canadian) at Feb. 29, 1960, from $11.96 three months earlier. In U. S. funds, net asset value was $11.97.

Total net assets amounted to $52.6 million (Canadian) at the end of February, down 6.7% from $56.4 million at Nov. 30, 1959.

In the three months ended Feb. 29, 1960, there was a net liquidation of 99,753 shares, reducing the number of shares outstanding to 4,623,401 shares.

During the quarter, the fund increased its holdings of bonds and notes to 5.5% of total net assets from 3.4%.

In its holdings of common stocks, the fund liquidated six issues and reduced holdings of two others. Four common issues were added, including **Massey-Ferguson Ltd.** and **Steep Rock Iron Mines Ltd.** Holdings of four other commons were increased.

Here are the changes for the quarter in detail:

	Amt. held Feb. 29/60 $	Change since Nov. 30/59 $
Bonds:		
Canada 5½%/63/76	1,000,000	+1,000,000
Simpsons 5½%/79	200,000	—35,000
Common	**Shares**	
KLM	nil	—10,000
Massey-Ferguson	22,000	+22,000
Ford of Can.	2,100	+2,100
Crown Life	1,800	+50
Simpsons	nil	—8,000
Hollinger Cons.	35,000	+10,000
Labrador Mining	25,000	+5,000
Steep Rock	20,000	+20,000
Consol. Paper	1,550	—3,450
Great Lakes Paper	14,000	+1,740
MacLaren P. & P.	nil	—7,000
Hudson's Bay O. & G.	34,600	—5,400
Int'l. Pete	nil	—30,000
Western Leaseholds	nil	—40,000
Que. Natural Gas	30,000	+30,000
Goodyear T. & R.	nil	—1,235

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If you set aside as little as 1 or 2 cents from each of these dollars, over a period of years, you can be assured of a suitable cash reward for your time and your business investment.

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Your Investors representative will gladly explain how small sums, set aside regularly, can help you to achieve financial success in your business.

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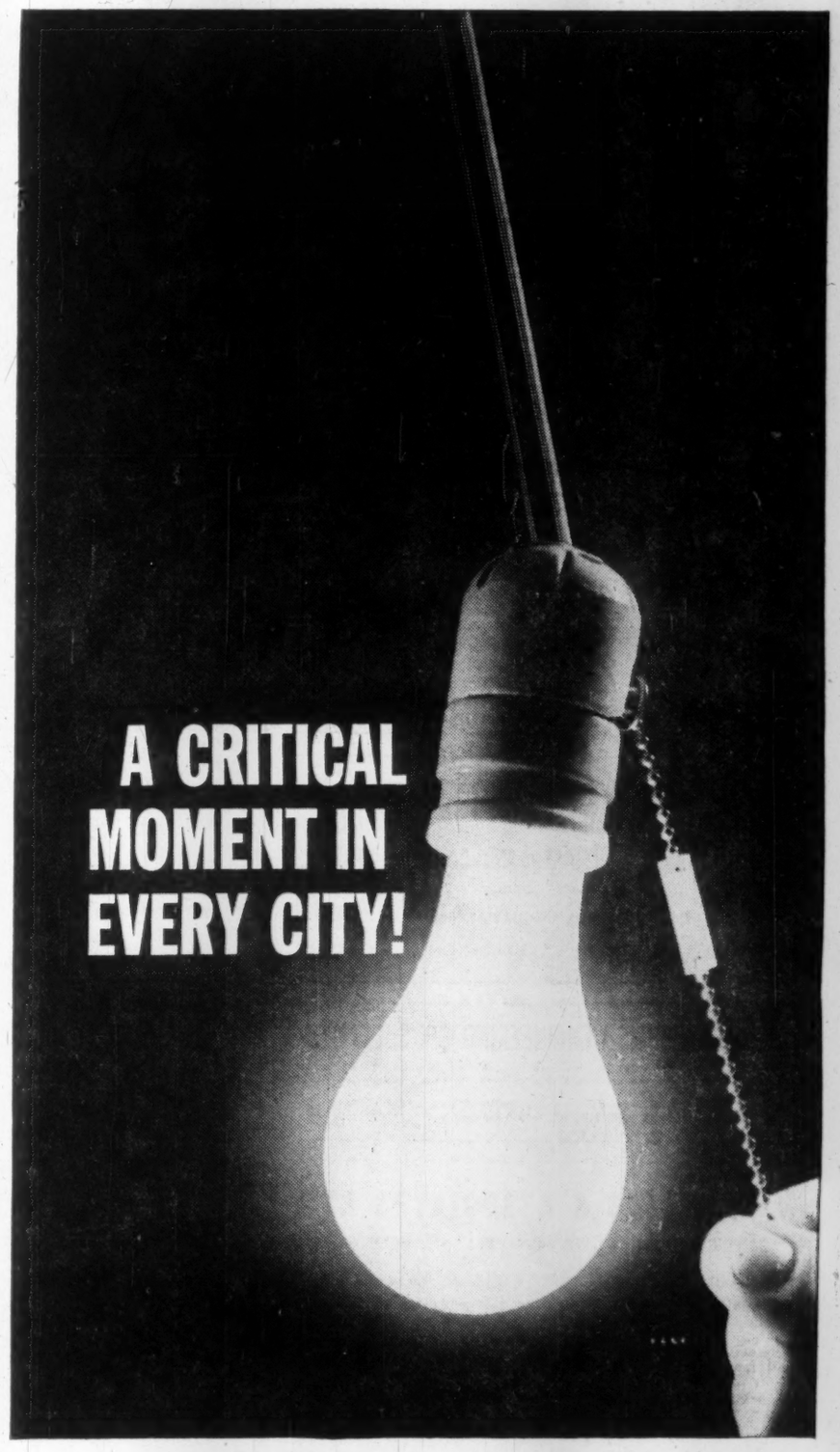

WHEN ALL THE LIGHTS GO ON AT ONCE
the drain on power is enormous!

For instance, from 4:30 pm 'til 6:00 pm, more electricity is called for than at any other time of the day. Yet utility companies provide power 24 hours a day. This means that their power source must be sufficient to meet maximum requirements. When requirements are less than maximum, these Hydro or Thermal plants are not operating to capacity.

A Decentralized Peak Load Generating Plant

provides extra power during these peak periods. *A 2-year economic study by a prominent U.S. utility proves that substantial savings result when base load capacity is supplemented in the peaking and reserve area by decentralized peak load plants.* The GM Diesel Decentralized Generating Plant provides this supplementary power during these few hours. And it provides power economically and efficiently! At peak hours, the GM Diesel Decentralized Generating Plant automatically cuts in to provide the necessary extra power. This allows base load units (Hydro or Thermal plants) to remain in higher revenue producing areas. The use of Decentralized Generating Plants for peak loads is a bold new solution to a growing problem.

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GM peaking and reserve plants are available in 2,000 K.W. increments up to 8,000 K.W. capacity per plant. Brochures and technical data are available from our London factory.

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Robert D. Bedolfe,
Chief Agent.

NEW PLANETARIUM

A new Spitz Planetarium has been presented to McMaster University by the Junior League of Hamilton. It is a collection of special projectors, reproducing star and planet images on a specially designed dome.

Getting Ahead

Astute businessmen plan for success; they read The Financial Post because it helps them make right decisions. Yearly by mail in Canada $8; elsewhere $9 yearly.

Company Reports

Shoes

ALFRED LAMBERT INC., Montreal, consolidated net profit of $353,362 for 1959 was 32.6% higher than 1958's net of $266,453.

Sales of company and subsidiaries reached record highs.

To finance expansion program, company issued $400,000 6% 15-year debentures, and $400,000 6½% cumulative redeemable preferred shares, $20 par.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1959	1958
Net earnings	$1,016,696	$889,536
Less: Debt int.	151,417	144,275
Depreciation	143,392	212,283
Taxes	368,525	266,525
Net profit	353,362	266,453
Less: Divd.	127,700	100,900
Surplus for year	225,662	165,553
Times Debt Interest Earned:		
Before deprec.	6.71	6.17
After deprec.	5.77	4.69
Earnings per Share and Dividend Record:		
Preferred	$7.07	$10.65
5% Pref., Paid	1.00	1.00
Class A & B:	2.30	1.71
Paid: Cl. A	0.70	0.60
Paid: Cl. B	0.70	0.60
‡After participation.		
Shares o/s as at Dec. 31:		
6½% Pref., $20 par.	25,000	.....
5% Pref., $20 par	25,000	25,000
Class A, $1 par	99,500	99,500
Class B, $1 par	41,500	41,500

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1959	1958
Cash	$584,725	$629,911
Accts. rec. less res.	3,506,552	3,281,915
Inventories	6,208,014	4,881,623
Life ins., c.s.v.	97,682	93,698
Prep. exp.	64,058	82,117
Total curr. assets	10,461,031	8,969,264
Fixed assets*	1,484,160	1,617,227
Total assets	11,945,191	10,586,491
Bank loans	2,108,926	1,630,442
Accts. & tax. pay.	1,916,252	1,625,201
Other curr. liabs.	.....	331,660
Total curr. liabs.	4,025,178	3,587,303
Funded debt	3,323,000	3,030,000
P.a. reval. res.	344,958	384,295
Capital stock	1,141,000	841,000
Surplus	3,111,055	2,943,893
*After depr. of	2,312,322	2,131,558
Working capital	6,435,853	5,381,961

Pipelines

ANDIAN NATIONAL CORP., Toronto, net profit of $1,925,598 was 6 times greater than 1958's net of $287,585.

Increase in earnings is largely due to increased pumpings through the system and to increase in tariffs granted Dec. 1, 1958.

Colombian government last November extended tariff period to Sept. 1, 1961.

Average daily long-haul throughput increased 12.1% to 67,500 bbl. from 60,194 bbl. for 1958. Short-haul throughput fell 3.8% from 26,087 b/d.

President F. J. Espinosa reports that at March 31, 1960, system was operating at maximum capacity.

Administrative and service departments have been consolidated with those of an affiliate, **International Petroleum (Colombia) Ltd.,** to achieve more efficiency.

INCOME ACCOUNT▲

Years Ended Dec. 31:	1959	1958
Net oper. income	$4,835,080	$3,821,150
Profit sale f.a.t.	8,623	62,480
Net earnings	4,843,703	2,883,630
Less: Deprec., etc.	1,235,331	1,246,243
Taxes	1,682,774	1,349,802
Net profit	1,925,598	287,585
Less: Dividends	892,500	785,000
Surplus for year	1,033,098	•477,415

▲U. S. currency. •Deficit.

‡After deducting income taxes of $11,041 in 1959 and $62,081 in 1958.

Earnings per Share and Dividend Record:		
Earned	$0.76	$0.11
Paid	0.35	0.30
Shares o/s as at Dec. 31:		
Common, n.p.v.	2,550,000	2,550,000

CONDENSED BALANCE SHEET▲

As at Dec. 31:	1959	1958
Cash	$486,986	$236,904
Invest at mkt.	290,448	113,276
Int.-bear. dep.	9,293,839	7,658,971
Accts., etc., rec.	832,213	1,010,943
Inventories	1,842,379	1,703,890
Total curr. assets	12,547,865	10,723,984
Other assets	80,922	206,456
Misc. invest.	49,778	54,605
Fixed assets*	6,937,902	7,870,900
Total assets	19,636,467	18,855,945
Total curr. liabs.	2,743,457	2,089,134
Reserves	3,244,783	4,151,682
Capital stock	10,200,000	10,200,000
Earned surplus	3,448,227	2,415,129
*After depr. & amort. of	26,962,835	26,537,493
▲U. S. currency.		
Working capital	9,804,408	8,634,850

Public Utilities

MEXICAN LIGHT & POWER CO., Toronto consolidated net profit of $5,109,011 for 1959 was 15.2% higher than 1958's $4,434,473.

Improved earnings were largely due to low thermal generation throughout the year, made possible by favorable water situation, Chairman M. D. Taylor and President G. Maryssael report.

On Sept. 23, 1959, the Tariff Commission rejected company's application for an increase in rates to compensate for increase in the price of fuel oil, on the ground that thermal generation had been considerably reduced during the year. Company has asked the courts to review the matter, and is seeking a 16% rate increase.

Sales of electricity in 1959 increased by 7.5% to nearly 4,000 million kwh. Generation of the hydro plants was 1,616 million kwh, 16% higher than in 1958. Energy purchased from the Federal Electricity Commission amounted to 1,979 million kwh, an increase of 59% over 1958.

Thermo-electric generation during 1959 was substantially less, amounting to 364 million kwh, a decrease of 65%.

Hourly peak load for the year was 774 megawatts, 8.7% higher than in 1958.

Kilowatt-hour increase in consumption during 1959 was approximately 4.7% for high tension industrial and mining services, 9.5% for commercial and low-tension industrial customers, 8.4% for residential services and 8.6% for government services including tramways.

Number of customers increased from 559,000 to 602,000 during 1959 in the residential division, and from 135,000 to 146,000 in the commercial and industrial division.

To provide facilities needed in the future, company's construction program for the next five years will require new investments of $140 million.

Construction work for the installation of a fourth generating unit of 82,400 kw at the Lecheria thermo-electric plant was continued during 1959. The unit is scheduled to come into operation by the end of the current year.

Company's 85 kv lines will be connected with the Federal Electricity Commission's new Mazatepec plant now under construction on the Apulco River.

Assuming a 10% increase in demand during the next few years, new additions required by 1962 and 1963 are being planned. A new thermo-electric plant with four units of 125,000 kw each will be built in the central area of company's system. A first unit should enter into operation at the end of 1962.

Annual meeting is June 2.

CONS. INCOME ACCOUNT

Yrs End. Dec. 31:	1959	1958
Gross oper. rev.	$51,782,342	$48,815,343
Net earnings	17,654,461	15,076,737
Less: Deprec.	4,902,431	4,580,039
Amort. rts., etc.	193,425	189,211
Taxes	3,151,343	1,937,400
Int. (net)*	4,298,251	3,935,614
Net profit	5,109,011	4,434,473
Less: Pref. divds.	853,244	853,244
Common divds.	2,211,068	2,105,672
Surplus	2,044,699	1,475,557
*After chge. to constr. of	203,550	347,579
Times Fixed Charges Earned:		
Before deprec. and amort.	4.11	3.83
After deprec. and amort.	2.92	2.62
Earnings per Share and Dividend Record:		
Preferred	$5.99	$5.20
Paid	1.00	1.00
Common	1.88	1.66
Paid	1.00 + astk.	1.00 + astk.
▲1/20 common share per share.		
Shares o/s as at Dec. 31:		
Pref., $13.50 par	853,244	853,244
Common, n.p.v.	2,267,568	2,159,627

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1959	1958
Cash	$3,910,337	$3,903,647
Accts etc. rec.	7,943,441	8,112,834
Inventories	3,551,169	4,124,926
Tot. curr. assets	15,404,947	16,141,407
Reorg exp.	897,849	953,593
Misc. assets	7,211,913	6,613,872
Fixed assets	239,546,019	228,043,057
Total assets	263,060,728	251,751,929
Loans	2,286,305	1,255,118
Accts pay.	7,528,293	6,481,578
Accr. debt int.	1,773,247	1,817,532
S.f. pay due	2,412,486	2,022,157
Total curr. liab.	14,000,331	11,576,385
Def. liab.	10,328,084	7,639,406
Funded debt	78,243,841	79,426,600
Depr., etc., res.	77,655,106	72,640,411
Reinvest. res.	7,435,344	5,312,513
Capital stock	41,126,368	41,018,427
Earned surplus	34,271,654	34,138,187
Working capital	1,404,616	4,565,022

Stationers

BARBER-ELLIS OF CANADA LTD., Toronto, consolidated net profit of $374,429 for 1959 was 3.4% lower than 1958's net of $387,748.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1959	1958
Net earnings	$794,636	$775,916
Less Deprec.	119,219	131,616
Note int.	1,500	3,000
Inc. tax	299,488	253,552
Net profit	374,429	387,748
Less: Pref. divds.	4,200	4,200
Com. divds.	254,800	241,150
Surplus for year	115,429	142,398
Earnings per Share and Dividend Record:		
Preferred	$312.02	$323.12
Paid	3.50	3.50
Common	8.14	8.43
Paid	3.20 + 2.40	3.20 + 2.10
Shares o/s at Dec. 31:		
7% Pref., par $50	1,200	1,200
Common, par $10	45,500	45,500

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1959	1958
Cash	$184,597	$286,310
Accts., etc., rec.	1,510,189	1,323,152
Inventories	1,233,345	1,252,549
Prep. exp.	81,654	72,566
Total curr. assets	3,009,785	2,934,577
Misc. assets	88,509	108,535
Fixed assets	2,892,840	2,865,428
Total assets	5,991,134	5,908,540
Accts. & tax pay.	1,139,926	1,193,924
Bond & note int.	.....	1,500
Notes pay.	.....	60,000
Pref. divd. pay.	2,100	2,100
Total curr. liabs.	1,142,026	1,257,524
Depreciation	1,833,348	1,738,258
Other res.	343,105	343,105
Capital stock	515,000	515,000
Contrib. surp.	45,000	45,000
Surplus	2,112,655	2,009,653
Working capital	1,867,759	1,677,053

Merchandising

STEDMAN BROS. LTD., Toronto, consolidated net profit of $1,353,297 for 1959 was 2% lower than 1958's net of $1,380,224.

Volume and profits before taxes increased, but higher corporation and sales taxes reduced net profit.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1959	1958
Net oper. inc.	$3,242,059	$3,039,964
Less: Deprec.	435,762	380,740
Income taxes	1,453,000	1,270,000
Net profit	1,353,297	1,380,224
Less: Com. divds.	488,602	488,602
Surplus for year	864,695	891,622
Earnings per Share and Dividend Record:		
Earned	$3.32	$3.39
Paid	1.20	1.20
Shares o/s a sat Dec. 31:		
Common, n.p.v.	407,168	407,168

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1959	1958
Cash	$3,354,314	$1,680,225
Accts. rec. less res.	941,745	983,593
Inventories	4,377,043	4,753,488
Life insur., c.s.v.	9,114	69,212
Adv. pay. on merch.	161,937	147,294
Prep. exp.	34,778	55,995
Total curr. assets	8,878,931	7,689,807
Mtge. rec.	2,000	4,000
Fixed assets*	3,899,787	3,446,961
Total assets	12,780,718	11,140,768
Accts., tax., pay.	1,579,539	847,345
Divds. pay.	122,150	122,150
Total curr. liab.	1,701,689	969,495
6% mtge. pay.	20,000	.....
Capital stock	294,801	294,801
Capital surplus	5,200	5,200
Earned surplus	10,759,028	9,871,272
*After depr. of	2,769,892	2,428,996
Working capital	7,177,242	6,720,312

ANNOUNCEMENT

FRANCE PACKING OF CANADA, LIMITED

JAMES E. THOMAS — WM. H. JONES, P.Eng. — WM. E. GRIFFITH

Three appointments for the newly incorporated company, France Packing of Canada, Limited have been announced by E. A. France, President. James E. Thomas, who has been with the parent company for the past 17 years, nine years as a director and controller, will be Manager. Wm. H. Jones, P.Eng., president of Masdom Corporation Limited, will act as eastern representative. Wm. E. Griffith, president of Barber Machinery Limited, will be western representative. Both these gentlemen are well known as engineering specialists and have been associated with the parent company for many years.

CMHC CONTRACTS

Central Mortgage & Housing Corp., has awarded a $101,233 contract to **A. Erickson,** Hyde Park, Ont., for construction of 12 two-story, three-bedroom semi-detached homes in the federal-provincial project at Clinton, Ont. Work is to be completed in October. CMHC has also awarded a $71,590 contract to **Rodighiero Construction Co.,** Montreal, for construction of a four-classroom extension to an existing school for Department of National Defence at St. Hubert, Que. Completion is scheduled for August.

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Nearly 137 million dollars were paid to help with such things as: children's education, medical expenses, retirement incomes, food, clothing, shelter.

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Millions of people (as individuals and as business organizations) have placed their confidence in Occidental. In fact, more than 4.5 million policies or certificates are now in force. Because of this confidence the 1959 financial statement reflects Occidental's most successful year.

MORE PROTECTION DELIVERED
New Life Insurance sales
Individual policies and Group.....$1,659,688,004

MORE INSURANCE IN FORCE
Life Insurance in force, December 31, 1959
Individual policies and Group.....$9,049,421,568
Accident and Sickness premiums
Individual policies and Group.....$ 86,275,489

MORE BENEFITS PAID
Benefits paid in 1959.....$ 136,908,596
Total benefits paid by Occidental since organization.....$1,077,708,066

ASSETS INCREASED
Occidental assets in 1959 advanced to.....$ 750,725,803
Surplus as regards policyholders increased to.....$ 78,838,309

7-39C

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GENERAL MANAGER FOR CANADA: Toronto, Ontario

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HAMILTON.....Branch Office, Henry Knight 1 Duke Street
KITCHENER....Branch Office, Eugene G. Rose, 277 King St., West
LONDON..... Miller-Underell Agency, 291 Dundas St.
MONTREAL.....Martin Arnovitz, 1117 St. Catherine St., West
OTTAWA, Branch Office, Ernest R. Harsh, C.L.U., 77 Metcalfe St.
George F. Perley & Co., 46 Elgin St.
ST. CATHARINES..T. F. Longhurst, 15 King St.
SUDBURY.....A. L. Rogers, 348 Morris St.
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Branch Office, Ralph G. Morley, King Edward Sheraton Hotel
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SLOUGH ESTATES, LIMITED

Another Successful Year

LIEUT.-COL. W. H. KINGSMILL'S OPTIMISM

The 39th Annual General Meeting of Slough Estates, Limited, will be held on May 18th at Slough Estates House, 16, Berkeley Street, London, W.1.

The following is the circulated statement by Lieut.-Colonel W. H. Kingsmill, D.S.O., M.C., the chairman:—

It is with deep regret that I have to record the death, in November last, of our Company's Honorary President, Sir Noel Mobbs, K.C.V.O., O.B.E. He joined the Company on its incorporation in May, 1920, becoming Chairman and Managing Director in March, 1922, offices he held till his retirement in December, 1957 when he was elected Honorary President. His counsel and wisdom are much missed by the Board.

It is with deep regret that I also have to report the death in March this year, of Commander R. W. McGrath. He joined the Board on the incorporation of the Company and was Deputy Chairman from 1951 to 1957. I would like to place on record the Directors' appreciation of his services.

I am happy to report that 1959 has again been a successful year for our Company, the profits before taxation having increased from £487,441 in 1958 to £618,053. As forecast in November, at the time of the Rights Issue of Ordinary Shares, your Board recommend a final dividend of 12½%, less Tax, on the increased Ordinary Share Capital. This final dividend, with the interim dividend already paid of 7½%, gives a total dividend for the year of 20%, less Tax, on the Capital prior to the Rights Issue and constitutes a 5% increase over the dividend for 1958. In addition 12½% will have been paid on the new Ordinary Shares.

Slough Trading Estate

A number of leases expired during the year under review. In every case a renewal was negotiated at a considerably increased rental. Although, due to Government restrictions, no factories of any appreciable size could be built for manufacturers not already on our Estate, Industrial Development Certificates have been granted for several extensions and additions to the premises of existing manufacturers. Industrial Development Certificates were not required for factories of under 5,000 square feet each, and a series of these have been erected during the year. Each has been leased before completion.

Last year I mentioned that our Power Station would have to meet considerably increased costs due to a reduction in the de-rating allowance from 75% to 50% commencing in April, 1959. However, I predicted that the demand for electricity, steam and water would rise sufficiently to offset this increased expenditure. In fact the demand has been such that the Power Station and the Water Undertaking have made a considerable contribution to the increased profits earned by the Company.

To meet the still increasing demand for these services, your Board have authorized the installation of an additional Babcock and Wilcox 100,000 lb. High Pressure Oil Fired Boiler, which it is expected will come into operation in 1961. The 5th artesian well, approved by your Board in 1958, has now been completed, passed its tests and is in commission.

Birmingham Factory Centre

Several Leases have expired and renewals effected at current rentals.

Greenford Industrial Estate

This Estate was vacated by the War Department during the year. The making good of dilapidations which had accrued was immediatey put in hand, but this, of course, takes time and was not finally completed until early this year. Of the 21 buildings renovation of 13 was completed by the end of the year and these buildings were let.

Canada

The Board of our Canadian subsidiary, Slough Estates (Canada) Ltd., report a satisfactory year's trading. The rent roll increased considerably, as did the revenue from the export sales of merchandise from Britain to Canada, handled by them.

Australia

As forecast in my Statement last year, considerable development has been taking place recently in the Altona District of Melbourne where the Company's Estate is situate. The petro-chemical group consisting of the Vacuum Oil Company of America together with the Distillers Company of London, the Dow Chemical Co., and the Union Carbide Corporation of New York, are constructing a large plant there. This Group, after extensive search throughout the Dominion into the most suitable site for its development, elected to establish this plant at Altona, and in the general interests of the development of the State of Victoria and of Altona in particular, your Board agreed to relinquish 537 acres of our Estate to allow this project to be established. The resultant surplus on the sale of this land has been put to General Capital Reserve in the Balance Sheet. It is anticipated that this development will attract other industries to the area and during the year your Board decided that the time had arrived to form an Australian Subsidiary Company. Slough Estates Australia Pty., Ltd., was incorporated on August 13th under the Chairmanship of Mr. Everard Baillieu, Governing Director of Baillieu Allard Pty., Ltd., who have been acting as our Company's agents for the last 10 years.

After disposal of the 537 acres our Estate will consist of approximately 900 acres.

Services of electricity, water and drainage should be brought up to the boundaries of our Estate by late 1961 when it is expected that development of the land as a Trading Estate can commence.

Finance

In July, in order to facilitate marketability your Board decided to make the Company's Ordinary Stock transferable in units of 5/0d.

In March, an opportunity arose for the disposal on favorable terms of our leasehold interest in Slough Estates House, 16 Berkeley Street, to the Ground Landlords, from whom we have now rented the premises on a long lease. This transaction realized a considerable capital sum which has been used towards the financing of factory and Power Station development.

Also, in November, in order to repay the Company's Bank Overdraft and further to finance present and future capital development, we made a Rights Issue to Ordinary Shareholders of 1,100,000 Ordinary Shares of 5/0d. each at 20/0d. in the proportion of 3 for every 20 shares then held and at the same time the existing £1,725,000 Ordinary Stock was reconverted into 5/0d. shares. As a result the total Ordinary Share Capital now stands at 8,000,000 5/0d. Ordinary Shares and the Share Premium Account has been increased by £874,173 to £1,169,521.

In accordance with the practice of certain other well-known Companies, the Board have discontinued the charge of 2/6d. for the registration of Share Transfers.

Alterations To Company's Articles

You will remember that in the Circular Letter to Ordinary Stockholders announcing the above mentioned Rights Issue, it was stated that, at the next Annual General Meeting, it was proposed to alter the Articles of Association so as to give the Preference Stockholders four votes for each £1 of Preference Stock held in order to maintain their then present proportion of voting power.

To comply with the requirements of the Council of The Stock Exchange, London, it is further proposed to amend Article 100 imposing a limit on the powers of the Directors to borrow on behalf of the Company. The Article at present provides that the aggregate of the amounts borrowed for the purposes of the Company and of the amounts borrowed by any subsidiary or subsidiaries of the Company shall not without the previous sanction of an Ordinary Resolution exceed £2,638,000. The Article is so worded that it can mean that if the Company itself has made no borrowings, the borrowing powers of the subsidiaries are unrestricted. Your Board therefore recommend that the Article should be appropriately amended.

Your Board consider that this opportunity be taken to alter Article 100 so as to have the effect of increasing their power to borrow on behalf of the Company, and they recommend that the existing limit of £2,638,000 (fixed in 1946) of Group borrowings should be increased to a sum equal to twice the aggregate of the issued and paid up share capital of the Company (other than share capital in future issued by way of capitalization of Reserves arising from a future revaluation of assets) and the amounts standing to the credit of all Group Reserves and Profit and Loss Accounts. On the basis of the Consolidated Accounts at 31st December, 1959, this limit would be approximately £13,000,000. In this connection I should mention that the Board have no present plans for raising further money for the purposes of the Company's business in the immediate future.

Notices convening the necessary Separate Class Meetings and Extraordinary General Meeting of the Company for the purpose of altering the Articles of Association are enclosed with the Accounts.

Summary And Prospects

A number of leases which the Company negotiated many years ago, will come up for renewal this year, and the demand for all types of industrial premises continues unabated.

Our Company benefited from the Greenford Industrial Estate to a small extent only in 1959. The present year will include the rents—while not in full from every factory — certainly from the major portion of them.

Demands on the Power Station and Water Undertaking continue to grow as manufacturers increase the size of their premises and their productive capacity.

Unless any unforeseen circumstances intervene your Board feels it can again forecast for the present year a further advance in profits.

Thanks

Your Board would like to pay tribute to the loyalty and hard work of the Staff and Employees, without whose wholehearted support these results could not have been achieved.

Company Reports

Merchandising

LANGLEY'S LTD., Toronto, consolidated net profit of $12,718 for 1959 was 55.7% lower than 1958's net of $28,705.

CONS. INCOME ACCOUNT		
Years Ended Dec. 31:	**1959**	**1958**
Net earnings	$71,984	$95,543
Less: Deprec.	44,919	51,955
Income tax res.	14,347	14,883
Net profit & surp.	**12,718**	**28,705**
Earnings per Share and Dividend Record:		
Pref.: Earned	$2.78	$6.18
None paid.		
Com.: Earned	0.08	1.14
None paid.		
Shares o/s at Dec. 31:		
5% Pref., $50 par	4,579 15/25	4,645 4/25
Common, n.p.v.	14,988	14,988

CONDENSED CONS. BALANCE SHEET		
As at Dec. 31:	**1959**	**1958**
Cash	$161,061	$140,221
Accts., etc., rec.	16,732	11,981
Inventories	18,106	16,391
Total curr. assets	**195,899**	**168,593**
Cap. expend. prov.	216,600	216,600
Invest. assoc. co.	73,133	76,313
Misc. assets	39,815	44,655
Fixed assets*	404,569	421,224
Total assets	**930,016**	**927,385**
Total curr. liab.	**30,039**	**29,539**
Dividend res.	68,694	58,064
Res. for red. of shs.	228,980	232,258
Capital stock	243,968	247,246
Capital surplus	222,001	226,032
Earned surplus	136,334	134,246
*After depr. of	574,075	511,423
Working capital	**165,860**	**139,054**

Public Utilities

MID - WESTERN INDUSTRIAL GAS LTD., Edmonton, Alta., consolidated net profit of $490,298 for 1959 was 2.5 times 1958 net of $194,840.

Sales of natural gas totaled 15.5 million cu. ft. of which 93% was produced from company's wells. Production of natural gas liquid was almost double at 51,000 bbl. Gas deliveries increased 43%.

Expansion of the Fort Saskatchewan ammonia plant of **Sherritt Gordon Mines Ltd.** is expected to increase that company's requirements by approximately 25%.

A successful gas well was drilled in the Alexander field. This extended proven limits of this field by two miles.

Company purchased, and subsequently farmed out, 37,440 acres of natural gas rights south of the Provo gas area. Further drilling is planned for 1960.

At the end of 1959, recoverable reserves totaled 195 billion cu. ft. In addition to these reserves, company purchases the entire production of residue gas from Redwater oil field, which averages approximately 2,850 mcf per day.

Company's estimate of recoverable natural gasoline liquids from the Alexander and Calahoo gas fields is 504,000 bbl.

CONSOL. INCOME ACCOUNT		
Years ended Dec. 31:	**1959**	**1958**
Gross sales	**$1,870,566**	**$1,325,803**
Net earnings	**1,011,354**	**663,055**
Less: Depr., wells & lease costs w/o	407,836	344,310
Interest	113,220	123,705
Net prof. & surp.	**490,298**	**194,840**
Earnings per Share and Dividend Record:		
Earned	$0.19	$0.08
None paid.		
Shares o/s as at Dec. 31:		
Common, n.p.v.	2,533,260	2,533,260

CONDENSED CONS. BALANCE SHEET		
As at Dec. 31:	**1959**	**1958**
Cash	$217,634	$132,739
Short-term notes	400,000	75,000
Accts., etc., rec.	163,930	217,315
Prep. exps.	16,460	18,537
Total curr. assets	**800,064**	**443,591**
Investments	19,320	19,320
Fixed assets†	4,692,884	4,845,464
Land	16,245	16,245
Other assets	108,930	108,930
Total assets	**5,637,443**	**5,433,550**
Total curr. liabs.	**326,734**	**278,132**
Def. credits	1,031	28,873
Funded debt	1,977,240	2,284,400
Capital stock	2,836,530	2,836,530
Earned surplus	495,908	5,610
†After deprec. of	1,428,470	1,029,204
Working capital	**473,330**	**165,459**

GREAT LAKES POWER CORP., Sault Ste. Marie, Ont., consolidated net profit of $993,520 for 1959 was 22% higher than 1958's net of $814,086.

Electrical energy delivered increased 12.7% to 718,616,091 kwh.

Operating revenues increased 27.7% to $5,112,638 in 1959. At the same time operating expenses increased 12.7%.

Expansion program started several years ago was completed in 1959. Finished during the year was 23,000 kw Hollingsworth Falls power plant and Shikwamkwa River dam.

In 1960, switching facilities to bring power from the new 230 kv transmission line between Rayner station and the Tarentorus substation will be constructed.

Bank loan amounting to $1,425,000 at year-end, arranged to complete expansion program, is expected to be repaid or substantially reduced by the end of this year, Chairman F. E. Hollingsworth and President W. M. Hogg said.

Revenue from sales of electrical energy in 1960 are expected to exceed 1959 sales.

CONSOL. INCOME ACCOUNT		
Years Ended Dec. 31:	**1959**	**1958**
Net oper. prof.	**$3,962,529**	**$3,074,831**
Add:		
Prof. sale invests		67,442
Net earnings	**3,962,529**	**3,108,638**
Less: Deprec.	1,025,614	851,483
All int.*	1,004,180	878,634
Amort. bond disc.	32,015	33,635
Inc. tax	907,200	530,800
Net profit	**993,520**	**814,086**
Less: Pref. divds.	92,528	92,528
Surplus for year	**900,992**	**721,558**
*After chg. to const. of	104,155	165,122

Note—For income tax purposes, co. is claiming deprec. in excess of amount shown in accounts and as a result taxes of $308,500 in 1959 and $373,400 in 1958 have been deferred.

Times All Int. Earned:		
Before deprec.	3.95	3.54
After deprec.	2.92	2.57
Earnings per Share and Dividend Record:		
Pref.: Earned	$13.42	$11.00
Paid	1.25	1.25
Com.: Earned	2.22	1.80
None paid.		
Shares o/s at Dec. 31:		
5% Pref., $25 par	74,023	74,023
Common, n.p.v.	406,440	400,000

CONDENSED CONS. BALANCE SHEET		
As at Dec. 31:	**1959**	**1958**
Cash	$138,515	$119,945
Mkt. secs.	1,938	1,938
Accts. rec., etc.	1,128,309	499,175
Inventories	92,368	86,704
Prepayments	40,117	33,396
Total curr. assets	**1,401,267**	**743,178**
Misc. assets	526,882	562,558
Fixed assets	48,300,278	46,984,949
Total assets	**50,228,427**	**48,290,685**
Bank loan	1,425,000	1,150,000
Accts. & tax. pay.	603,933	662,466
Purch. contr. pay.		291,060
Other curr. liab.	285,195	290,254
Total curr. liab.	**2,314,128**	**2,393,780**
Funded debt	22,555,000	22,898,000
Deprec. res.	7,181,868	6,202,107
Def. income tax	1,195,400	886,900
Other liabs.	44,499	53,747
Capital stock	3,497,270	3,350,575
Capital surplus†	9,105,099	9,105,099
Surplus	4,335,163	3,400,477
†Excess of appraisal val. over cost of plant.		
Working capital†	**912,861**	**1,656,602**
†Excess of curr. liab. over curr. assets.		

Building Materials

STEETLEY OF CANADA LTD., Hamilton, Ont., consolidated net profit of $226,994 for 1959 was 19% highe than 1958's net of $190,799.

Reduction in net profit resulted from a strike at works of company's largest customer.

Company's portion of earnings of **Canada Crushed & Cut Stone Ltd.** amounted to $224,465, compared with $250,016 in 1958.

CONDENSED INCOME ACCOUNT		
Years Ended Dec. 31:	**1959**	**1958**
Net oper income	**$729,825**	**$629,203**
Add: Sale of inv.		1,313
Net earnings	**729,825**	**630,516**
Less: Deprec.	207,000	186,000
Bond interest	48,534	70,562
Fin. exp. amort.	19,512	19,512
Income taxes	226,173	163,398
Prem. on red.	1,612	245
Net profit	**226,994**	**190,799**
Less: Pref. divds.	45,000	45,000
Surplus for year	**181,994**	**145,799**
Times Bond Interest Earned:		
Before deprec.	15.04	8.94
After deprec.	10.77	6.30
Earnings per Share and Dividend Record:		
4½% Pref., $100 par	$22.70	$19.07
Paid	4.50	4.50
Com.: Earned	0.73	5.58
None paid.		
Shares o/s as at Dec. 31:		
4½% Pref., $100 par	10,000	10,000
Common, n.p.v.	250,000	250,000

CONDENSED BALANCE SHEET		
As at Dec. 31:	**1959**	**1958**
Cash	$53,827	$57,349
Guar. dep. rec.	75,000	120,000
Accts., etc., rec.	321,256	265,220
Inventories	39,375	44,740
Prepaid exps.	2,120	3,435
Total curr. assets	**491,778**	**490,744**
Inv. in subs.	1,073,100	1,073,100
Def. chgs.	106,919	126,431
Fixed assets*	1,303,082	1,478,114
Total assets	**2,974,879**	**3,168,389**
Divds payable	11,250	11,250
Accts. pay.	63,535	80,487
Taxes pay.	99,693	55,737
Loan pay. par. co.	164,434	131,922
Total curr. liabs.	**338,912**	**279,396**
Deferred inc. tax	124,902	138,422
Funded debt	763,500	1,185,000
Capital stock	1,250,000	1,250,000
Earned surplus	497,565	315,571
*After depr. of	974,766	887,698
Working capital	**152,866**	**211,348**

Iron and Steel

DOMINION FORGE LTD., Walkerville, Ont., net profit of $445,367 for 1959 was 67.2% higher than 1958's net of $266,438.

Volume, measured in tons of steel fabricated, increased approximately 12%.

President R. T. Herdegen reports that to date company is making very little for the compact cars, but this is expected to increase before year-end.

INCOME ACCOUNT		
Years Ended Dec. 31:	**1959**	**1958**
Oper. inc.	$1,221,598	$859,594
Add: Pro. sale inv.	9,750	15,950
Net earnings	**1,231,348**	**875,544**
Less: Deprec.	242,700	271,600
Funded debt int.	84,781	100,654
Income taxes	458,500	236,852
Net profit	**†445,367**	**266,438**
Less: Pref. divds.	$34,370	*60,333
Common divds.	*75,000	*125,000
Surplus for year	**335,997**	**81,105**

*Represents 3 quarterly dividends in 1958; 3 quarterly dividends in 1959.
†Not including special credit of $41,063.

Times Funded Debt Interest Earned:		
Before deprec.	14.52	8.70
After deprec.	11.66	6.00
Earnings per Share and Dividend Record:		
6% Pref.: Earned	$62.99	$33.43
Paid	6.00	6.00
Common: Earned	4.03	2.18
Paid	1.00	1.00
Shs. o/s as at Dec. 31:		
6% cum. pref. $100 par	7,071	7,971
Common, n.p.v.	100,000	100,000

CONDENSED BALANCE SHEET		
As at Dec. 31:	**1959**	**1958**
Cash & treas. bills	$474,881	$628,706
Govt. bonds▲	472,450	595,450
Accts., etc., rec.	810,484	921,065
Inventories	1,844,604	1,640,396
Prepaid exps.	24,617	40,739
Total curr. assets	**3,627,036**	**3,826,356**
Fixed assets▲	1,709,980	1,853,026
Total assets	**5,337,016**	**5,679,382**
Accts., etc., pay.	781,486	897,979
Income taxes pay.	217,009	96,942
Funded debt instal. due	134,000	134,000
Total curr. liabs.	**1,132,495**	**1,128,921**
Funded debt	1,337,000	1,970,000
Capital stock	1,207,100	1,297,100
Earned surplus	1,660,421	1,283,361
▲Market value	483,900	591,375
▲After depr. of	1,329,433	1,088,135
Working capital	**2,494,541**	**2,697,435**

Appliances

BULLOCH'S LTD., Winnipeg, consolidated net profit of $80,016 for year ended Feb. 29, 1960 was 18.2% lower than previous year's net of $97,835.

Sales increased 5% but reduced selling prices together with changes in distribution and furnace design reduced net profits.

Sales in Ontario, Quebec and the Maritimes are now handled by **Bulloch's Eastern Ltd.**

Company has redesigned many of its oil and gas furnaces, all of which costs have been charged against 1959 operations.

President T. D. Bulloch says that business will be "highly competitive" in 1960.

CONSOL. INCOME ACCOUNT		
Years Ended:	**Feb. 29 1960**	**Feb. 28 1959**
Net earnings	$158,440	$197,907
Less: Deprec.	19,124	21,153
Income tax	59,300	78,919
Net profit	**80,016**	**97,835**
Less: Class A divds.	29,750	29,750
Class B divds.	19,355	19,356
Surplus for year	**30,911**	**48,729**
Earnings per Share and Dividend Record:		
Class A‡	$1.34	$1.64
Class A*	0.70	†0.75
Paid	0.50	0.50
Class B*	0.70	0.96
Paid	0.35	0.35

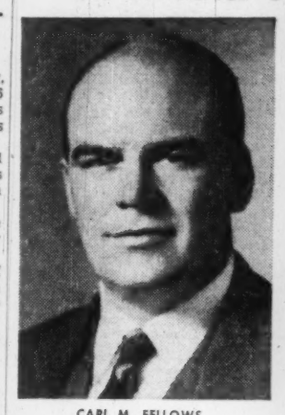
‡Before (*after) participation.
†Maximum allowable.

Shares o/s:		
Class A, n.p.v.	59,500	59,500
Class B, n.p.v.	55,300	55,300

CONDENSED CONS. BALANCE SHEET		
As at:	**Feb. 29 1960**	**Feb. 28 1959**
Cash	$212	$8,696
Accts. rec.*	120,807	124,738
Inventories	618,577	518,447
Prep. exps.	11,738	10,662
Total curr. assets	**749,334**	**662,542**
Fixed assets▲	137,515	146,562
Total assts	**886,849**	**809,105**
Due bank	68,377	
Accts. pay.	35,936	39,824
Income tax pay.	19,363	36,207
Total curr. liabs.	**123,676**	**76,031**
Capital stock	179,500	179,500
Capital surplus	16,212	16,212
Earned surplus†	567,461	537,362
▲After deprec. of	197,420	178,830
*After res. of	4,534	5,952
†Including $20,435 tax paid surplus.		
Working capital	**625,658**	**586,512**

ANNOUNCEMENT

ELECTED DIRECTORS ST. LAWRENCE CORPORATION LIMITED



CARL M. FELLOWS

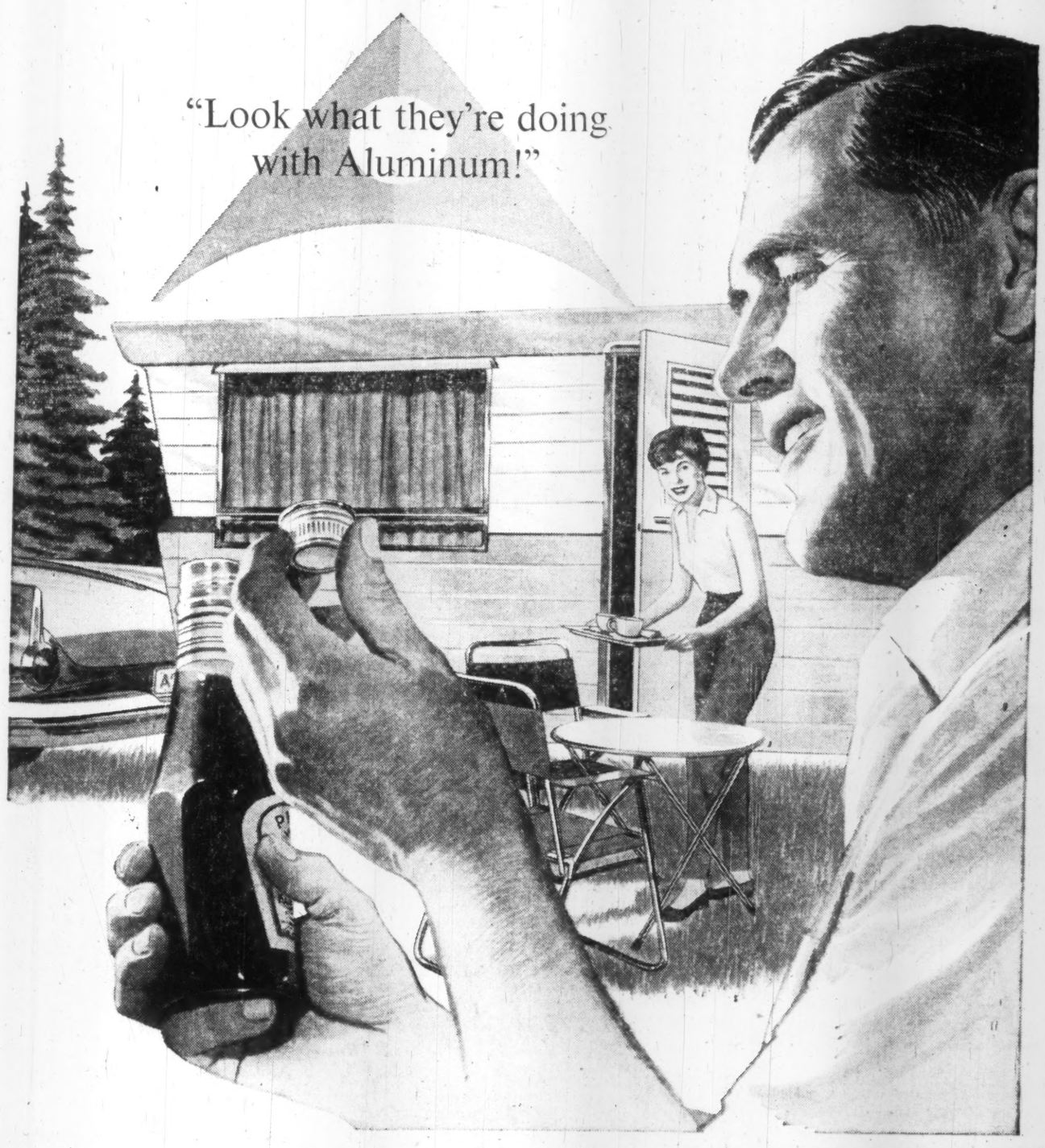
WILLIAM H. PALM

St. Lawrence Corporation Limited announces the election of Carl M. Fellows, executive vice-president, and William H. Palm to the newly created vacancies on the board of directors. In addition Mr. Palm was appointed an executive vice-president.

Hinde and Dauch Limited, the recently acquired subsidiary of St. Lawrence Corporation, also announces the appointment of Mr. Fellows as executive vice-president.

Mr. Fellows, a graduate of the U.S. Naval Academy, joined the Fitchburg Paper Co., Fitchburg, Mass., in 1936. After tour work in the paper mills he was placed in charge of New England Sales. During the war, he served four years as commanding officer of the escort destroyers, U.S.S. Monts and U.S.S. La Prade followed by a short period as executive officer of a Radar and Fighter Direction School, retiring with the rank of commander. He rejoined the Fitchburg Paper Co. in 1946 as plant manager and vice-president and was subsequently promoted to executive vice-president in 1951. Mr. Fellows took an active part in several U.S. trade associations and in addition served on the Bookpaper Industry Advisory Committee of the W.P.A. and O.P.S. in Washington, D.C. Mr. Fellows became associated with St. Lawrence Corporation as executive vice-president in 1958. He is also a director of Hinde and Dauch Limited and the Pulp and Paper Research Institute of Canada.

Mr. Palm, a graduate of the University of Toronto, started his career in the paper industry with Alliance Paper Mills, Merriton, Ont. In 1938 he joined Brompton Pulp and Paper Co., a part of St. Lawrence Corporation, occupying positions in sales and general management fields. Mr. Palm became associated with Hinde and Dauch Limited in 1946 in the capacity of assistant to the general manager and then vice-president in charge of production. He was appointed president and general manager of Hinde and Dauch in 1953. Mr. Palm is also a director of the Pulp and Paper Research Institute of Canada, Metropolitan Toronto Industrial Commission, Central Ontario Industrial Relations Institute and Ontario Pulp & Paper Makers' Safety Association.



"Bottle tops and house trailers. Everyone's using aluminum. Why not in our products?"

Every day seems to see new developments that are taking advantage of versatile aluminum's unequalled combination of qualities: its remarkable lightness, strength, corrosion-resistance and bright enduring beauty. Aluminum's possibilities are practically endless, and its uses continue to grow with the development of new alloys, improved fabricating and welding techniques and a growing consumer demand.

PERHAPS ALCAN ALUMINUM AND ALCAN "KNOW HOW" CAN HELP YOU IN YOUR BUSINESS...

ALCAN are the people to see about everything concerning aluminum. They are leaders in its development and set its standards of quality. ALCAN has over fifty years' experience in aluminum and is the major source in Canada for aluminum sheet, wire, rod, bar, tubing, foil, extrusions, castings and ingot.

ALUMINUM COMPANY OF CANADA, LIMITED
An ALUMINIUM LIMITED Company
Quebec • Montreal • Ottawa • Toronto • Hamilton • Windsor • Winnipeg • Calgary • Vancouver
ALCAN

Government Bonds

May 3, 1960

(Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Asked
Govt. of Canada Bonds:			
3	Perpetual ...	66¼	67¼
2½	June 1967/68.	84½	85½
3¼	Jan. 1975/78.	82	83
3¼	Mar. 1996/98.	75¼	76¼
2	Dec. 1960 ...	99¾	100¼
2	May 1961 ...	99¼	99¾
2½	May 1970 ...	86	87
3½	Oct. 1979 ...	76	77
3	Dec. 1961 ...	98¼	98½
3¾	Sept. 1965 ...	93¼	94¼
4	Sept. 1972 ...	90	91
4¼	Sept. 1983 ...	89¼	90¼
4	Jan. 1963 ...	98¼	99¼
5½	Oct. 1960 ...	101	101¼
5½	Oct. 1962 ...	102¼	102½
2½	June 1974/76.	78	79
5½	Apr. 1963 ...	102¼	102½
5½	Apr. 1969 ...	100	100¼
Cdn Nat Railways:			
3	Jan. 1961/66.	89	90
2½	Feb. 1961/63.	95	95½
2½	Jan. 1964/67.	86	87
3½	Feb. 1972/74.	83½	84½
4½	Feb. 1981 ...	83¼	84¼
5½	Dec. 1964 ...	101½	102
5½	Jan. 1965 ...	103½	104½
Int. Bank of Reconstruct. & Development			
3½	Apr. 1965 ...	90	92
3½	June 1969 ...	84½	85½
C'wealth of Australia:			
4	Nov. 1970 ...	85½	87½
Prov. Govt. Bonds			
Alberta Tel. Gtd.:			
4½	July 1976/78.	83	85
British Columbia:			
3	June 1964 ..	89½	91½
Pac. Gt. East. Rly. Gtd.:			
4½	Dec. 1987 ...	83	85
Ontario Hydro:			
4½	Nov. 1964/67.	92½	94½
5	Apr. 1974/77.	93	95
6	Feb. 1978/80.	102½	104½
6	Feb. 1970 ...	102½	103½
Quebec:			
4½	Jan. 1974/77.	91	93
New Brunswick:			
4½	Oct. 1968/71.	88½	91
5	Oct. 1974/77.	91	93
Ontario:			
4½	Dec. 1962/63.	96½	98½
3	Nov. 1963/65.	89	91
5	Jan. 1977/79.	93	95
6	Nov. 1969 ...	102	104
6	Nov. 1977/79.	102½	104½
Man. Hydro:			
5	July 1975/77.	90	93
Manitoba:			
3	Oct. 1965 ...	86	88
Nova Scotia:			
4½	Dec. 1975/77.	87½	89½
5	June 1975/77.	91	93
Quebec Hydro Commission			
5	Nov. 1980/82.	93	95
Saskatchewan:			
4½	Nov. 1974/76.	83	86
3½	Oct. 1962/65.	89	91
Newfoundland:			
4½	July 1962/64.	94	96
5½	Feb. 1977/79.	89½	92½

Record of Financing

Sales by Municipalities, Provincial and Dominion Governments. Offerings of Corporations and Securities.

DOMINION

Government of Canada Treasury Bills — Due July 22, 1960 and Oct. 21, 1960, $135,000,000. Issued April 22, 1960. Sold at 99.136 to yield 3.50% and $98.184 to yield 3.71%.

MUNICIPAL

Town of Dalhousie, Sask. — 6½% debentures, due April 1, 1961-80, $152,000. Issued March 30, 1960. Bought privately by James Richardson & Sons.

Town of Nipawin, Sask.—6¾% debentures, due May 1, 1961-80, $108,884. Issued March 30, 1960. Bought privately by James Richardson & Sons.

Catholic School Commission of Pointe-aux-Trembles, Que. — 5½% and 6% debentures, due March 1, 1961-65-80, $645,000. Issued April 11, 1960. Sold at $97.01 to Banque Canadienne Nationale, Credit Quebec, Inc., Gestion Laurent Inc., Morgan, Ostiguy & Hudon Ltee and Placements Kennedec, Inc.

City of Saskatoon, Sask. — 6% debentures, due May 1, 1961-83, $1,726,000. Issued April 12, 1960. Bought privately by a syndicate of dealers headed by Dominion Securities Corpn. Ltd., Wood, Gundy & Co. Ltd. and including A. E. Ames & Co. Ltd.

Town of Windsor, N.S. — 6% 1-20 year debentures, $99,000. Issued April 21, 1960. Sold at $99.225 to Scotia Bond Co. Ltd.

School Commission for Mun. of Lac des Sèizeaux, Que. — 6% debentures, due April 1, 1961-80, $22,000. Issued April 12, 1960 and 2010 at $98.288 to Credit-Quebec, Inc.

Sarnia Roman Catholic Separate School Board, Ont. — 6¼% debentures, due May 1, 1961-80, $155,000. Issued April 21, 1960. Sold at $99.25 to Bell, Gouinlock & Co. Ltd.

London Roman Catholic Separate School Board, Ont. — 6½% debentures, due April 1, 1961-80, $350,000. Issued April 22, 1960. Sold at $99.63 to A. A. Daly & Co. Ltd.

City of Guelph, Ont. — 6% and 6¾% debentures, due June 1, 1961-70, $633,459. Issued April 25, 1960. Sold at $100.79 to J. L. Graham & Co. Ltd., Canadian Bank of Commerce and Anderson & Co.

City of Kitchener Roman Catholic Separate School Board, Ont. — 6% debentures, due May 1, 1961-80, $475,000. Issued April 25, 1960. Sold at $97.09 to Bankers Bond Corpn. Ltd.

Town of Lindsay, Ont. — 6% debentures, due Jan. 11, 1961-80, $35,500. Issued April 25, 1960. Sold at $98.89 to Wood, Gundy & Co. Ltd. and Royal Bank of Canada.

Kenora Roman Catholic Separate School Board, Ont. — 6½% debentures, due May 15, 1960, $60,000. Issued April 25, 1960. Bought privately by James Richardson & Sons.

CORPORATE

Labrador Acceptance Corporation — 7% sinking fund debentures, series "A" (to be accompanied by stock purchase warrants) due May 1, 1970, $400,000. Issued April 25, 1960. Offered at $100.00 by Morgan, Ostiguy & Hudon Ltd. and Gaston Laurent Inc.

Reitman's (Canada) Ltd. — 7% sinking fund debentures, to mature May 1, 1980, $1,250,000. Dated May 1, 1960. Offered at $100.00 by G. E. Leslie & Co.

Avalon Telephone Company, Limited— 7% first mortgage sinking fund bonds, to mature May 1, 1980, $2,000,000. Dated May 1, 1960. Offered at $100.00 and accrued interest by W. C. Pitfield & Co. Ltd., Nesbitt, Thomson & Co. Ltd. and Parsons & Landrigan Ltd.

Canadian Gas and Energy Investments, Ltd. — 6½% convertible sinking fund debentures, to mature May 15, 1975, $1,500,000. Dated May 15, 1960. Offered at $100.00 and accrued interest to yield 6.50% by Gairdner & Co. Ltd.

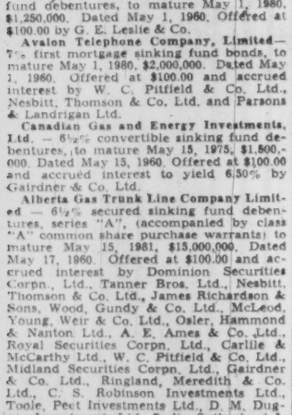
Alberta Gas Trunk Line Company Limited — 6½% secured sinking fund debentures, series "A", (accompanied by class "A" common share purchase warrants) to mature May 15, 1981, $15,000,000. Dated May 17, 1960. Offered at $100.00 and accrued interest by Dominion Securities Corpn., Ltd., Tanner Bros. Ltd., Nesbitt, Thomson & Co. Ltd., James Richardson & Sons, Wood, Gundy & Co. Ltd., McLeod, Young, Weir & Co. Ltd., Osler, Hammond & Nanton Ltd., A. E. Ames & Co. Ltd., Royal Securities Corpn. Ltd., Carlile & McCarthy Ltd., W. C. Pitfield & Co. Ltd., Midland Securities Corpn. Ltd., Gairdner & Co. Ltd., Ringland, Meredith & Co. Ltd., C. S. Robinson Investments Ltd., Toole, Peet Investments Ltd., D. M. Duggan Investments Ltd., Sydie, Sutherland & Ritchie Ltd. and H. M. E. Evans & Co. Ltd.

PREFERRED

Canadian Gas and Energy Investments, Ltd. — 900,000 voting and participating redeemable preferred shares (accompanied by share purchase warrants). Offered at $5.00 per share by Gairdner & Co. Ltd.

Alberta Gas Trunk Line Company Ltd. — 6¼% cumulative redeemable preferred shares series "A" (accompanied by class "A" common share purchase warrants). $15,000,000 (150,000 shares). Par value $100.00 each). Offered at $100.00 per share by Dominion Securities Corpn. Ltd., Tanner Bros. Ltd., Nesbitt, Thomson & Co. Ltd., James Richardson & Sons, Wood, Gundy & Co. Ltd., McLeod, Young, Weir & Co. Ltd., Osler, Hammond & Nanton Ltd., A. E. Ames & Co. Ltd., Royal Securities Corpn. Ltd., Carlile & McCarthy Ltd., W. C. Pitfield & Co. Ltd., Midland Securities Corpn. Ltd., Gairdner & Co. Ltd., Ringland, Meredith & Co. Ltd., C. S. Robinson Investments Ltd., Toole, Peet Investments Ltd., D. M. Duggan Investments, Ltd., Sydie, Sutherland & Ritchie Ltd. and H. M. E. Evans & Co. Ltd.

ANNOUNCEMENT



H. JOHN LUSH

The appointment of H. John Lush as Ontario Controller of Liquid Carbonic Canadian Corporation Limited, Toronto, has been announced by Brock Bradley, President.

Mr. Lush, a graduate of Queen's University, is well known in Canadian business and financial circles having formerly been associated with the Montreal Stock Exchange and Canadian Johns-Manville Co. Ltd.

Unlisted Mines and Oils

(Compiled From Quotations by G. E. Leslie & Co., Montreal)
May 3, 1960

Stock	Bid	Ask	Stock	Bid	Ask
Aisab	42	47	Lun. Echo	26	29
Aconic	10	15	L. Chib.	..	15
Amal. Mng	..	30	Main Oka	40	50
Aconic v.t.c.	10	15	Martin Bird	4	6
Arnora	..	2	M'gami Ex	10	15
Ass. Devp.	6	8	Monor	34	42
Atlas Chib.	1	3	Natl. Mal	10	13
Bald Mtn.	4	6	Nipiron	9	11
Brosnan Chib.	5	8	Nth. Matt	10	15
Big Nell	15	25	Oklend	3	6
Bracemac	7	9	Pascalis	16	20
C. Javelin	9¼	9½	Quedon	..	5
Caprive O.	..	30	Quejo	2	4
Dauphin	10	15	Rand Mal	4	6
Frontenac	57	63	Seucon D.	210	225
Franksin	..	30	Sheraton	..	45
Ghislau	..	65	St. Jude	2	5
Gibson	5	10	St. Helen	..	25
Glencona	¼	½	Scott Chib	2	4
Hull Iron	135	145	Starlight	2	4
Imp. Min.	4	8	Tarpoint	1	3
Independ't	6	8	Vaimont	..	11
Kenmac	1	3	Wm. Leys	2	6
L. Sup. I.	20	30	Yng. Dave	13	17

Foreign Exchange Rates

Noon Value In Canada
Week Ended May 3, 1960

	U.S. $	U.K. £
Wed.	.96 8/32	2.70 5/16
Thurs.	.96 11/32	2.70 11/16
Fri.	.96 18/32	2.71 4/16
Mon.	.96 19/32	2.71 5/16
Tues.	.96 27/32	2.72 1/16
Ave.	.96 83/160	2.71 5/8

U.S. rate reported by Bank of Canada.

U.K. bid rate reported by Toronto-Dominion Bank.

Bond Tenders

5 P.M. May 9, 1960, City of Kitchener, Ont. — 6% debentures, due June 1, 1961-75, $588,000. Issued May 2, 1960.

12 Noon, May 5, 1960, Government of Canada Treasury Bills — Payable Aug. 5, 1960 and Nov. 4, 1960, $120,000,000. Issued May 6, 1960.

12 Noon, May 11, 1960, Municipality of the County of Victoria, N.S. — 6% 1-20-year debentures, $80,000. Dated June 1, 1960.

Corporation Bonds

Supplied by Investment Dealers' Association of Canada
May 3, 1960

Public Utility Issues:	Int Rate %	Due	Bid	Ask	Prev Week Bid
Aig Cen H B R	5¼	'79	94½	97½	94½
Bell Telephone	2	'72	93	95	93
Bowaters Pr Co	3½	'80	75	...	74½
Braz Trac L&P	4½	'70	79½	83½	79½
B C Electric	5¼	'88	89½	92½	87½
Do	5¼	'77	95	97½	96
B C Telephone	5	'82	88	90	88
Calgary Pwr	3½	'72	78	...	78
Cons Gas	5	'78	88	90	87½
Gatineau Pr D	3½	'70	79	82	79
Gt Lakes Pr	5½	'77	95	...	95
Maclaren-Quebec Power	3	'69	88	...	88
Mex Lt & Pr	5	'75	78	...	78
Nat Lt & Pwr	4½	'61	96½	...	96½
Nor Que Pr	4½	'67	89	...	89
Power Corp	5¼	'77	93	...	93
Que Nat Gas	5½	'85	87	89	87
St Maur Pr	3½	'70	80½	82½	80½
Shaw W & Pr	4½	'76	88	90	87
Tr Can P L	5.85	'87	87	89	87
W'coast T Deb	5¼	'88	77	79	76
Industrial Issues:					
Abitibi Pr P	6½	'77	98½	102½	98½
Do	4	'74	81½	...	81½
Acadia-Atlantic Sugar	4	'74	79½	...	78½
Alum of Can.	4½	'73	87½	90½	86½
Bathurst P & P	5½	'73	93	95½	93
Bicroft Uran	5	'62	96	98½	96
Can Bread	4½	'67	86½	89½	86½
Can Cement	5½	'76	91½	94½	91½
Can Steamship	4	'66	89	....	89
Cdn Brew	4½	'81	85	....	83½
Cdn Canners	3½	'70	80½	83½	80½
Cdn Celanese	3	'62	94½	...	91½
Cdn Chem Co	5½	'71	90½	93½	90½
Cdn Industries (1954) Ltd	3½	'74	79½	...	79½
Cdn Oyno	6	'63	95	95½	95
Cdn Oil	4	'76	79½	82½	78½
CPR	3½	'72	80	82	79
Do	3½	'66	87	88	86½
Cdn Met	5½	'63	88½	89½	89
Cockshutt F Eq	4½	'65	88½	91½	88½
Cons Denison	5	'62	96½	99½	96½
Dom Fdrs & S	4½	'62	87½	90½	87½
Dom Stores	5½	'76	94½	97½	94
Dryden Paper	4½	'74	82½	85½	82½
T Eaton Acc	4½	'74	84½	87½	84½
T Eaton Realty	5½	'76	91	94	91
E B Eddy	4	'74	71½	...	71
Elk Falls	5	'75	82½	85½	82½
Gen M Accept	4½	'69	89½	92½	89½
Gt Lakes Pap.	5	'76	88½	91½	88½
Gunnar Mines	5	'80	98½	...	98
H Bay O&G	4	'75	77½	80½	77½
Husky Oil	5	'69	82	...	80½
Imp. Tobacco	3	'70	79½	82½	79½
Imp. Oil	3	'69	80½	83½	80½
Indust Accept.	6	'77	96	99	96
Loblaw Groc.	6	'77	97½	100½	97½
Lorado Uran.	6	'62	98½	99½	99
Maple L.M	3½	'63	90	92	90
Massey-Ferg.	4½	'76	81½	84½	82
Milliken Lake	6	'62	97½	97½	97
North Cdn Oil	5	'75	67½	72½	69½
North Span	5½	'63	93	94	92½
North Star	4½	'78	80½	82½	80½
Ont. Jockey Cl.	5½	†'72	85½	88½	85½
Phillips Elect	5	'73	87½	...	87½
Price Bros	3½	'66	85	87	85
Regent Refining	4½	'75	79½	...	79½
Rio Tinto	5	'63	96	96½	96
St Law Corp.	5	'72	90½	94½	90½
Sal.-Shirriff-H	6	'77	97½	100½	97½
Simpsons Ltd.	4½	'73	90½	93½	90½
Steel of Can	2½	'67	83	86½	83
Traders Fin	4½	'71	86½	....	85½
Union Accept	5½	'68	90½	...	89½
Un Grain Gr	3½	'70	80½	84½	80½
West Cdn O&G*	5½	'73	92	...	92
Weston Geo	4½	'71	88½	91½	88½

†Ex wts
*Com wts

CONVERTIBLE ISSUES

Abitibi P & P	4½	'66	94½	97½	95½
Atlas Steels	5	'67	102	109	103½
Braz Trac L&P	4½	'71	74½	77½	74½
B C El	6	'84	103½	105	104
CPR	4	'69	85	87	86
Cdn Petrofina	4	'72	80	...	79
Cockshutt F Eq	5	'68	87½	91½	87½
Home Oil	5	'71	89½	92½	91½
Do	6	'75	94½	95½	95
Shaw W & P	5½	'72	104	107½	104½
Westcoast T	5½	'88	81	84	81
Loblaw Groc	4½	'78	117	123	117
Phillips Elect	5½	'70	88½	...	89½
Silverwood Dair	5½	'72	92½	...	92
Trans Emp. Oil	5	'68	94	...	94
Do.	5½	'67	94	95½	94
Triad Oils	4½	'71	76½	80½	76½

Unlisted Mines and Oils

By Brokers Dealers Assoc. of Ont.

Approximate quotations, 3.30 p.m., May 2, subject to confirmation and change. An asterisk (*) indicates an increase in price, a dagger (†) a decrease in price.

	Bid	Ask		Bid	Ask
Abbican	7	8	Con Dur	†12	15
Abeta	3	4	Con Fred	17	20
Abino	†44	47	Con Hrp	6½	8½
Aconic C	10	20	Cordell	1½	2½
Aconic V	7	11	C Vauze	80	85
Advance	4	5	Crackst	†4	6
Alexand	7	9	Craibee	39	42
Ama Kirk	1½	2½	Croyden	1½	2½
Anabar	1	3	Deriac	3½	4½
Anamaque	1	2	Despina	1½	2½
Anuwon	1½	2½	Destrad	½	2
Arctic	1	2	Dom Ex	24	27
Barima	11	13	Dumont	—	75
Belfast	3½	4½	Dunvegn	3	4
B Jck P	1½	3	East Lun	1	2
B Grass	½	1½	Echo Ind	1	1½
Bour C	2½	4	Ego	8	10
Bracema	7½	9	Expl All	4	5
Braminco	8	12	El Bonan	1½	2½
Bright	1½	2½	Ev'lode	†8	11
Brilund	†3	4	Farcroft	1	2½
B McDade	6½	7½	Forty F	40	55
Bruce P	7	9	Gan Cop	2½	3½
Brunette	2	3	Gateway	2	4
Camdeck	2	4	Glenburk	4	6
Camiaren	2½	3½	Glencona	½	1
Camray	1	1½	Glen Ech	3	5
C Rad C	5	7	G Harker	†7½	8½
C All Met	1½	2½	Grd Label	1	2
Can Fer	105	115	Goldmaq	3½	4½
Caral	3	5	Goldyke	1½	2½
Cstlbar	8	10	Gov Gold	2	3
Cent Man	4	5	Halimon	5½	7
Cent Hill	†4	5	Hot Min	3	4
Chellew	4	5	Hornfit	6	7
Clinger	2½	3	Hubert L	4	6
Clix	1½	2½	Hucamp	11½	13
Columbr	1	2	Hud Ung	3	5
Cmstck	3	5	Independ	†5½	7
Con Cop	11	12			

Commodities

	Latest week	Previous week	Same week last yr
Cattle	$22.50	$22.50	$25.00
Hogs	20.00	20.00	24.00
Copper, lb.	.33	.33	.31½
Coffee, lb.	.37	.37	.45½
Sugar, raw, lb.	.0565	.0565	.0575
Hides	.19	.19	.29

Weekly Commodity Indices

Dow Jones Fut.♦	145.82	144.98	151.38
U. S. Labor	†	120.0	119.8

Monthly Price Indices

	Latest month	Previous month	Same month last yr
Retail C.P.I.*			
Canada (D.B.S.):			
(Mar.)	126.9	127.2	125.5
W'sale (Feb.)	230.0	230.5	230.8
C. F'm Pr * (Feb.)	212.0	214.6	217.9
U. S. W'sale (Dec.)	118.9	118.9	119.2
Gr. Br. W'sale♦			
(Dec.)	111.8	•111.8	111.7

Base of price quotations is as follows: Cattle-Steers, good up to 1,000 lb., to price Toronto Copper-electrotypes, New York, Coffee No. 4 Santos Spot Raw Sugar 96 degrees centrifugal c.i.f.

*Base years 1947-49=100.
♦Base years 1924-26=100.
♦Base year 1954=100.
•Revised
†Not available.

PIPELINE VOLUME

Total crude oil deliveries in March for **Trans Mountain Oil Pipe Line Co.** averaged 114,356 bbl. per day compared with 91,958 b/d during same period in 1959. Scheduled deliveries through the system for April are expected to average 134,000 b/d.

RENABIE PRODUCTION

Renabie Mines turned out gold bullion worth $124,861 during March. Average recovery from the 15,805 tons of ore milled totalled $7.90 per ton.

ANNOUNCEMENT

MILES LABORATORIES APPOINTMENT

N. D. MATHEWSON

The Board of Directors of Miles Laboratories, Ltd., Toronto, announces the appointment of Mr. N. D. Mathewson as Treasurer of the Company. Mr. Mathewson joined the Company in 1956 and in 1958 was made Comptroller.

IT'S MIGHTY IMPORTANT WHERE YOU LAND!

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- Located on St. Mary's River, the Seaway brings world markets to our door.

For additional information or personal interview, write Alderman Walter J. Chisholm, Chairman Industrial Committee, City Hall, Sault Ste. Marie, Ontario.

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Market Comment

What stocks and bonds are doing and what prominent observers say

Early this week the New York Dow-Jones industrials bounced back (temporarily at least) from the depressed 600-index level. A strong probability is seen of the rebound continuing cautiously. But a more convincing forward business pattern will have to be forthcoming for any worthwhile recovery.

Two developments have strengthened somewhat U.S. business confidence. A recent private survey of business expansion intentions by a highly reputable firm indicates capital expenditures this year in U.S. of approximately $37.9 billion. This is an increase of 16.4% over the 1959 total.

This new survey appears to refute recent widespread beliefs that Washington's earlier survey ($37 billion) was overstated. According to the survey, manufacturers plan to devote only 35% of total spending for expansion, the remaining 65% going for replacement and modernization in an effort to increase productivity and reduce costs.

The second bullish development was a brisk upswing in new car sales in mid-April. This appears to bear out the earlier belief that poor March weather held sales back in that month.

* * *

D. J. ROGERS; Equitable Brokers, Ltd. (Toronto)

At the beginning of the year we pointed out in this space:: "A plateau has been reached in both American and Canadian markets from which a substantial and fairly broad correction could be witnessed should any disappointment be encountered either business-wise or profitwise as 1960 unfolds."

It is now evident that business has failed to live up to earlier rosy expectations and that this has provided a severe disappointment to investors on both sides of the border.

This disappointment is now in the process of being discounted in the market place with the result that many stocks have reached levels where they represent good basic values. However, yields of most of our blue chip issues are still unattractive when compared with top quality bonds; hence, a further downward drift in prices seems probable.

We continue to advise clients to divide their investment capital into two parts. One portion should be used for the purchase of the many attractive high yielding bonds that are available. The second part can gradually be invested on a scale down in selected common stocks which appear to offer greater than average long-term attraction.

In this group we include our leading Canadian bank shares, shares of the integrated oil companies and our two leading gas distributors — **Consumers Gas** and **Union Gas.**

Dominion Stores, Steinbergs "A" and the **Weston** issues have been deflated to levels where they now merit attention. **Moore Corporation, International Nickel** and **Interprovincial Pipe Line** also continue to provide good avenues for growth in earnings and income.

Purchases made from this list of issues should provide good mediums with which to take advantage of growth in Canada over the next decade.

* * *

NESBITT, THOMSON & Co. (Montreal)

A firmer bond market and a weak stock market in recent months have combined to reduce the adverse spread between bond yields and stock yields; the latter are now approaching an average level of 5%.

Most of the new financing expected in Canada over the next 12 months will likely take place in the natural gas industry which continues as one of the strongest sectors in the economy. Investors can expect to be offered a large variety of new securities suitable for all types of portfolios and on attractive terms.

Apart from the natural gas financing, other corporate financing is expected to be done in relatively moderate amounts which should indicate good possibilities for continued firm to higher prices for outstanding senior securities.

In the stock market many issues appear to have reached levels where they are supported on a yield basis as good returns are available, particularly after-tax, for investors in higher brackets.

While a weak market sometimes foreshadows a slackening in business, some industries, such as papers and banks, should experience higher earnings in 1960.

Major oil companies have already reported improved results for the first quarter. With the support of the natural gas export decision of April 1, better times are also in sight for independent producers with the expectation of a seven-fold over-all increase in gas revenues by 1962.

In view of the substantial decline during the past three years or so in prices of oil shares, and bearing in mind the improving outlook for the industry, the time may now be opportune for a selective investment approach in this sector.

Generally speaking, however, the prospects in the stock market are highly uncertain whereas the outlook for bonds, especially Government of Canada issues, appears promising. Under these circumstances, we feel that from half to two-thirds of the average person's investment portfolio should be in bonds or preferred stocks.

* * *

ROBERT E. LIPTROTT; Bongard & Co. (Toronto)

Canadian stock markets have in the past few months drifted lower under light but steady eroding pressure. The Canadian bond market, on the other hand, appears to have reversed its downward trend and would appear to be heading, at least for the short term, for higher ground.

It is the writer's opinion the bond market would have to see substantially higher prices and also demonstrate its ability to maintain these prices before sufficient incentive can be offered to re-enter the equity market in a major fashion.

The main factor in the reversal of the price trend in the general bond market has been the strength in the government bond section. The lagging movement in corporate issues may offer opportunities for gains over the short term.

The foregoing does not, however, preclude sound investment opportunities in the equity field. Careful study of first and second quarter earnings should confirm these buying opportunities.

The reversal in price trends has not been co-incident with a reversal in projected growth patterns in many industries; but rather a re-assessment by investors of the premium they are willing to pay to participate in these growth patterns.

Specific reference can be made to those companies that explore and/or develop energy resources.

Another segment that has been able to maintain its growth pattern are the food processors and distributors. Projected growth levels have been made in dollar sales but these sales have not been accompanied by expected number of profit dollars.

It would now appear that this segment of industry is applying more effort to the development of profit dollars and that commitments can be made in this field.

Price Earnings Ratios

RATIO OF MARKET VALUE TO EARNINGS OF THE 20 STOCKS COMPRISING THE TORONTO STOCK EXCHANGE AND INDUSTRIAL INDEX

EARNINGS PER SHARE	PRICE Apr. 29	RATIO Apr. 29	WEEK PREVIOUS	MONTH AGO
$56.32	$787.50	13.98	14.13	14.04

Average Yields

(COMPILED BY MOSS, LAWSON & CO.)

	MAY 2 %	WEEK AGO %	MONTH PREVIOUS %	YEAR AGO %
114 Average Stock Yields	4.82	4.78	4.76	3.99
6 Banks	3.82	3.75	3.63	2.85
18 Preferred and "A" Stocks	5.41	5.43	5.42	4.74
64 Common Industrials	4.43	4.36	4.34	3.51
26 Mining	5.63	5.58	5.48	4.90

Advances and Declines

Week Ended	Toronto Ups	Toronto Downs	Toronto No Change	Montreal Ups	Montreal Downs	Montreal No Change
Mar. 25	313	356	190	105	90	144
Apr. 1	353	335	152	97	96	158
Apr. 8	387	316	156	134	63	137
Apr. 14	236	374	183	96	100	132
Apr. 22	175	475	178	52	133	159
Apr. 29	215	447	193	76	120	156

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	N.Y.S.E.	American
May 2	217,300	1,215,000	25,925	60,185	2,930,000	1,330,000
Apr. 29	223,900	1,327,000	36,894	37,201	2,850,000	1,110,000
Apr. 28	187,800	1,255,000	40,145	66,015	3,190,000	1,320,000
Apr. 27	289,700	1,271,000	17,438	54,816	3,020,000	1,010,000
Apr. 26	260,300	1,321,000	27,015	67,186	2,940,000	1,060,000

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 9	Milling 2	Oils 5	Textiles and clothing 7	Food and allied prod. 13	Beverages 10	Bldg. mater. 14	Total Industrials 72	Banks 7	Total utilities 13	Total cos 92
*1935 to date:												
High	947.5	1238.1	252.0	285.5	410.5	304.8	724.4	590.5	315.9	399.1	218.9	297.8
Low	68.5	51.6	39.7	40.9	77.7	72.4	79.3	68.7	56.1	68.4	64.5	60.6
1959-60 Monthly Figures:												
Jan.	690.9	1077.2	198.5	216.7	194.9	286.4	666.7	518.6	275.4	327.6	198.0	266.0
Feb.	674.4	1131.8	200.6	215.4	203.0	302.6	678.4	535.3	279.1	335.8	202.0	269.9
Mar.	682.7	1139.8	199.2	209.6	213.9	301.8	666.0	544.7	278.3	345.9	202.6	270.2
Apr.	666.2	1117.4	198.4	204.8	215.9	299.6	662.1	529.8	271.7	357.1	201.3	265.8
May	686.6	1109.8	211.0	200.0	215.4	292.0	670.6	526.6	271.5	370.4	204.3	267.2
June	776.4	1119.6	230.9	189.9	219.8	279.2	677.7	537.1	274.4	379.0	201.6	269.5
July	834.3	1183.7	239.9	192.9	227.5	273.7	702.7	580.1	286.2	387.5	203.0	279.3
Aug.	794.0	1169.2	232.0	193.0	230.1	264.2	702.4	564.6	282.0	373.7	199.8	274.6
Sept.	741.3	1086.0	221.2	176.7	211.4	251.7	656.7	523.0	261.6	347.6	188.9	255.4
Oct.	744.9	1090.8	207.5	168.4	205.7	245.1	652.5	514.3	257.4	354.7	187.3	252.5
Nov.	706.3	1123.5	209.8	168.4	206.4	232.4	668.3	529.1	259.2	342.5	186.9	252.6
Dec.	744.7	1174.5	208.5	174.8	209.7	231.2	667.5	536.1	269.3	347.2	190.6	261.5
Jan.	741.9	1156.8	204.2	180.2	203.2	224.5	656.0	518.0	267.6	332.8	191.0	259.2
Feb.	713.0	1080.0	194.0	173.8	197.2	216.8	634.6	488.7	257.9	316.3	186.8	249.9
1960 Weekly Figures:												
Mar. 3	676.4	1047.5	182.6	165.0	193.9	214.5	610.0	471.0	246.6	305.9	185.1	240.3
Mar. 10	643.7	1028.0	176.6	163.5	190.0	210.2	604.0	453.4	241.1	296.9	183.5	235.3
Mar. 17	663.3	1043.6	184.2	172.7	190.6	213.7	608.3	464.1	249.1	307.5	183.3	242.0
Mar. 24	683.6	1064.5	182.7	177.0	188.4	217.7	620.3	461.2	254.6	311.3	184.5	246.7
Mar. 31	690.2	1066.8	181.4	175.9	187.2	222.7	612.3	461.2	255.0	307.4	186.1	247.0
Apr. 7	698.6	1104.4	183.7	179.3	190.2	234.3	634.1	474.6	260.9	315.8	188.0	252.4
Apr. 14	695.0	1110.8	182.5	175.6	190.5	231.5	633.4	475.6	260.2	308.6	188.9	251.4
Apr. 21	669.2	1099.8	181.6	170.7	188.2	227.4	616.7	463.1	254.2	308.1	188.6	246.8
Apr. 28	665.9	1090.5	179.2	167.0	187.5	226.6	618.4	463.5	251.6	303.8	187.4	244.4

*High and low for year from 1935 to date inclusive are based on weekly figures used by the Dominion Bureau of Statistics.

TORONTO STOCK EXCHANGE INDEX	20 Indust.	20 Golds	15 B.M.	15 W.O.
May 2	484.60	81.43	153.53	88.33
Apr. 29	485.27	81.69	155.19	89.60
Apr. 28	486.52	82.25	155.13	89.87
Apr. 27	488.23	82.41	157.01	90.92
Apr. 26	488.40	82.21	157.40	90.79
Month Ago	495.23	89.38	157.96	101.32
Year Ago	532.08	90.47	176.43	137.16
1960 High	533.84	90.20	176.74	106.78
1960 Low	474.52	81.43	152.57	88.33

MONTREAL STOCK EXCHANGE INDEX	10 Util.	20 Indust.	30 Com	10 Pprs.	15 Golds
May 2	136.8	280.9	232.8	421.8	73.43
Apr. 29	137.1	282.3	234.0	423.1	74.83
Apr. 28	136.8	283.3	234.5	424.9	74.90
Apr. 27	137.0	283.1	234.4	423.8	75.83
Apr. 26	136.4	282.7	233.9	423.6	76.27
Mon. Ago	137.5	280.9	233.1	414.5	79.07
Year Ago	157.7	312.9	261.1	453.2	88.07
1960 High	145.1	320.1	261.7	466.7	85.34
1960 Low	135.8	277.2	230.5	409.3	74.33

DOW-JONES CLOSING STOCK AVERAGES	30 Indust.	20 Rails	15 Util.	65 Stocks
May 2	599.61	138.46	88.76	199.55
Apr. 29	601.79	139.83	88.71	200.33
Apr. 28	604.33	139.85	88.56	200.80
Apr. 27	609.96	140.83	89.08	202.43
Apr. 26	610.92	141.00	89.19	202.72

	30 Indust.	20 Rails	15 Util.	65 Stocks
Month Ago	618.54	143.41	88.46	204.58
Year Ago	625.06	167.15	91.54	213.86
1960 High	685.47	160.43	89.72	222.62
1960 Low	599.10	138.18	85.02	198.00

Canadian Auto Production

	Week Ending Apr. 30	Same Week 1959	Year To Date 1960	Year To Date 1959	% Change To Date
CARS					
General Motors:					
Buick	219	165	4,419	4,322	
†Chevrolet	2,199	1,742	35,528	34,149	
Oldsmobile	159	318	5,086	7,367	
Pontiac	2,223	1,867	30,986	25,975	
	4,800	4,092	76,019	71,813	+6
*Ford:					
†Ford	1,935	1,080	23,295	19,402	
Mercury	96	156	1,966	3,232	
†Meteor	796	873	11,550	12,825	
Monarch	125	81	2,030	2,572	
	2,952	2,207	38,841	39,222	—1
Chrysler:					
Chrysler	151	142	2,318	2,787	
DeSoto	96	43	1,298	528	
Dodge	679	593	8,389	8,725	
†Plymouth	399	507	8,001	6,993	
	1,325	1,285	20,006	19,033	+5
Studebaker-Packard:					
Studebaker	96	240	1,809	3,302	—45
Total cars	9,173	7,824	136,675	133,370	+2
TRUCKS					
General Motors	881	856	15,854	12,780	
Ford	562	659	7,230	6,503	
Chrysler	130	177	2,603	2,406	
International	267	370	4,530	4,492	
Total trucks	1,840	2,062	30,217	26,181	+15
Total cars, trucks	11,013	9,886	166,892	159,551	+5

*Includes Edsel production, 1959 model year.
†Chevrolet includes Corvair; Ford includes Falcon; Meteor includes Frontenac; Plymouth includes Valiant.
Source: Canadian Automobile Chamber of Commerce.

Gold Bars Quoted

Rate Reported by Doherty, Roadhouse & Co., Toronto.

Canadian kilo bars of gold approximately 32 oz. each

May 3, 1960

	Bid	Asked
	per oz.	
Latest week	$33.55	$33.80
Previous week	$33.40	$33.70

Mutual Funds

	Divd. pd. cents	Bid	Ask
All-Can. Com. Fd.	7.52a(30.563)	6.85	7.45
All-Can. Div. Fd.	6(32)	5.40	5.87
American Growth	3(18)	7.22	7.87
Assoc. Investors	8.5a(33½)	7.75	7.83
Can. Invest. Fund	16(38)	8.31	9.11
Canafund	70(125)	33.08	34.73
Champion Mut. Fund	4(21)	5.14	5.65
C'wealth Inter.	16(29)	7.66	8.42
Corporate Inv.	8(42½)	8.36	9.14
Diversified Inc. B	5.4a(10.8)	3.65	4.00
Dom. Equity	20+13a(5.2)	14.50	14.79
Dom. Comp. Fund	8(38)	8.73	9.08
Do. nonres.	(38)	8.67	9.02
Dominion Funds	(38)	8.33	8.66
First Oil & Gas		3.42	3.74
Group Accum.		5.04	5.51
Grouped Inc.	5.45a(23.7)	3.42	3.74
Growth Oil & Gas		6.56	6.90
Invest. Growth	(10.5)	5.58	6.04
Investors Mutual	17(33)	10.43	11.29
Leverage Fund	8(10)	6.05	6.65
Mut. Acc. F.	5.95a(23.87)	6.85	7.49
Mutual Bond		5.93	6.21
Mutual Income	12.09a(26.16)	4.33	4.95
North American	6(120)	7.89	8.58
Regent Fund Ltd.	3(9)	4.78	5.25
Sav. & Int. Mut.	9(18)	4.89	5.34
Sup'vised Amer.	3(12)	6.60	6.67
Sup'vised Executive (1955)		36.11	...
Sup'vised Executive (1956)		29.60	...
Sup'vised Executive (1957)		5.07	...
Sup'vised Executive (1958)		5.35	5.40
Sup'vised Gr'th. Fund	(3.5)	1.55	1.57
Sup'vised Inc. Fund	4c(17)	3.76	3.80
T.V. Electr's	8(95e)	7.32	8.00
Timed Invest.	6(25)	5.25	5.67
Trans-Can. A	(95.2)	25.50	...
Do. B	44c(81.1)	26.60	...
Do. C	8.2c(18)	5.35	5.85
United Accum. Fund	16(24)	13.46	14.63

aPaid or payable in 1960, total paid in 1959 in parentheses.
eOf which 62½ (U.S.) cap. gains dist. in 1959.
cIncluding initial.
fFinal payt. in 1959 not available.

Municipal Bonds

May 3, 1960

		Bid	Ask.	Yld. %
Halifax	4¼	'71	85½	87½ 5.70
Hamilton	6	'79	99	101 5.91
Metro. Tor.	6	'79	99¾	101¾ 5.85
Montreal	6	'79	97½	99½ 6.05
Ottawa	5½	'79	95½	97½ 5.72
Regina	5¼	'82	93	95 6.16
Vancouver	5¼	'77	94¼	96¼ 6.10
Winnipeg	5¼	'77	91¾	93¾ 5.85

ANNOUNCEMENT

MILES LABORATORIES APPOINTMENT

T. H. BUCHANAN

Mr. E. H. Beardsley, President of Miles Laboratories, Ltd., Toronto, announces the appointment of T. Hugh Buchanan as Vice-President and General Manager. At the same time, Mr. Buchanan was elected to the Board of Directors of the Company. Mr. Buchanan joins the Company with a wide experience in marketing, sales and advertising with emphasis in the retail field.

THE CORPORATION OF THE CITY OF LONDON

TENDER FOR DEBENTURES

Sealed tenders addressed to the City Treasurer, Corporation of the City of London, marked: "Tender For Debentures" will be received up to 12:00 o'clock noon, Monday, May 9th, 1960, for the purchase of —

$1,962,000.00—5¾ % non-callable, Serial Instalment Debentures to be dated May 2nd, 1960, to mature May 2nd, 1961 to 1980, to defray the cost of constructing an addition to The Dearness Home, Overpass at the C.N.R. and Adelaide Street, Storm Sewers, Watermains, Services for Rental Housing Project, Park Purposes, and a Public School.

The debentures will bear the Certificate of Validation of The Ontario Municipal Board.

A certified cheque for $20,000.00 payable to The City Treasurer, Corporation of the City of London, Ontario, must accompany each tender.

Interest will not be allowed on tender cheques.

The right is reserved to reject any or all tenders.

Further particulars may be obtained from the City Treasurer, London, Ontario.

Finance Department,
City Hall,
London, Ontario,
April 27th, 1960.

C. O. Logan,
Finance Commissioner
and City Treasurer.

VACUUM CLEANER

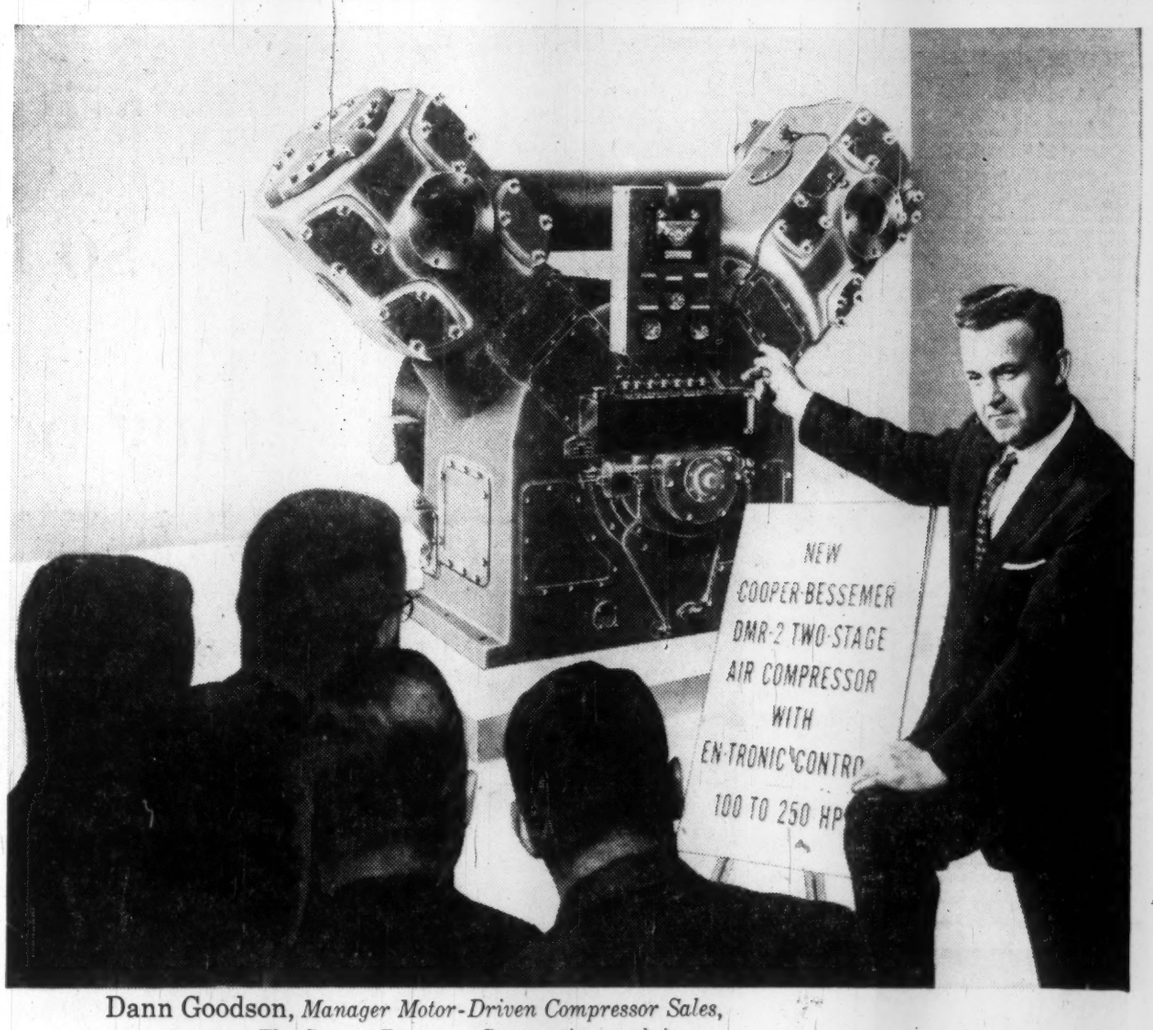
Black & Decker Manufacturing Co., Brockville, Ont., has a new heavy-duty industrial vacuum cleaner that can be placed flat on the floor and moved easily on metal runners, or can stand vertically on sound-absorbing rubber feet.

Progress and expansion go together . . . and this year more Canadian companies than ever will be moving to new premises. Brightened with window frames and other components made from Atlas Stainless Steel, many new office buildings have an efficient beauty that will last for generations. Regardless of weather, traffic and soot, they will look new for decades. And inside too, wherever lasting beauty and a minimum of maintenance are required, stainless steel has been specified. Look at Canada's booming construction industry; you find progress, and you see stainless steel at work.

ATLAS STAINLESS STEELS

ATLAS STEELS LIMITED, WELLAND, ONT. Warehouses: MONTREAL, TORONTO, HAMILTON, WINDSOR, WINNIPEG, VANCOUVER. Representatives: LONDON, ST. CATHARINES, SUDBURY

Look at Progress . . . and you see Stainless Steel



Dann Goodson, *Manager Motor-Driven Compressor Sales, The Cooper-Bessemer Corporation, explains . . .*

How Cooper-Bessemer's new, compact Air Compressors simplify installation and reduce costs

The DMR compressor shown here is one model of a new line of *compact, 720 rpm* machines, unmatched in reliability. With these units, Cooper-Bessemer introduces a new standard of installation economy. So highly compact, the DMR compressors are readily installed in existing space, avoiding the need for additional housing facilities. They can be located at strategic points throughout the plant to supplement existing air line services without additional feeders to help supply your production needs at minimum cost.

The new DMR units come completely equipped with integral motor-drive and intercooler . . . ready for operation. Their control can also be integrally mounted as shown. They are available for two-stage applications in the range of 500 to 2000 cfm and discharge pressures of 80 to 125 psi . . . also for single-stage and three-stage operation.

The introduction of this new line of air compressors, plus the portable tool facilities of our new subsidiary, The Rotor Tool Company, enable Cooper-Bessemer to give you full-scope service for your industrial air power needs. Call the nearby Cooper-Bessemer office or air compressor agent for Bulletin No. 94 on the new DMR line.

Cooper Bessemer OF CANADA, LTD.

ENGINES - GAS, DIESEL - GAS-DIESEL
COMPRESSORS, RECIPROCATING AND CENTRIFUGAL
ENGINE OR MOTOR DRIVEN

TORONTO, EDMONTON, CALGARY, STRATFORD
NEW YORK 36, NEW YORK

DIVIDEND NOTICES

THE ROYAL BANK OF CANADA

Dividend No. 291

Notice is hereby given that a dividend at the rate of **fifty-two and one-half cents (52½¢) per share** upon the outstanding capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Wednesday, the 1st day of June, 1960, to shareholders of record at the close of business on the 30th day of April, 1960; shares not fully paid for by the 30th day of April, 1960, to rank for the purpose of the said dividend to the extent of the payments made on or before that date on the said shares respectively.

By order of the Board.
W. E. McLAUGHLIN,
General Manager.

Montreal, Que.,
April 19, 1960.

MacMILLAN, BLOEDEL AND POWELL RIVER LIMITED

NOTICE OF DIVIDEND No. 62B

At a meeting of the Board of Directors held on the 26th April, 1960, a regular dividend of fifteen cents (15c) per share and an extra dividend of eight cents (8c) per share were declared payable on the issued shares of the Company in Canadian Funds on the 15th of June, 1960, to shareholders of record as of the 13th May, 1960, and to holders of share warrants.

Said dividends will be paid at par in respect of the shares specified in any bearer share warrant of the Company, upon presentation and delivery of Coupon No. 62B, on or after 15th June, 1960, at any branch of the Bank of Montreal in Canada (far northern points excepted) or at the offices of Agency, Bank of Montreal, New York or Bank of Montreal (San Francisco), San Francisco, or at the First National Bank of Chicago, Chicago.

By Order of the Board.
J. A. KYLES,
Secretary.

Vancouver 2, B.C.
April 26, 1960.

ALUMINIUM LIMITED DIVIDEND NOTICE

On April 28, 1960, a quarterly dividend of 15 cents per share in U.S. currency was declared on the no par value shares of this Company, payable June 4, 1960 to shareholders of record at the close of business May 9, 1960.

JAMES A. DULLEA
Secretary

ALCAN
Montreal
April 28, 1960

MADSEN RED LAKE GOLD MINES LIMITED

55 Yonge St., Toronto

DIVIDEND No. 36

NOTICE is hereby given that a dividend of 5 cents per share **plus a bonus of 5 cents per share** has been declared by the Directors of Madsen Red Lake Gold Mines Limited, payable in Canadian Funds on June 24th, 1960, to shareholders of record as of May 24th, 1960.

By Order of the Board.
M. MASTERSON,
Secretary-Treasurer.

Toronto, May 2nd, 1960.

DIVIDEND NOTICES

BANQUE CANADIENNE NATIONALE QUARTERLY DIVIDEND

Notice is hereby given that a dividend of four per cent (4%) has been declared by the Directors of Banque Canadienne Nationale on the paid-up capital stock of the Bank for the quarter ending on the 31st day of May, 1960. This dividend, bearing number 277, will be payable at the Main Office of at the branches of the Bank, on or after first day of June 1960, to shareholders of record on April 29, at the close of business.

By Order of the Board.
ULRIC ROBERGE,
General Manager.

CANADIAN WESTERN NATURAL GAS CO. LTD.

DIVIDEND NOTICE

Ordinary Shares

NOTICE is hereby given that a quarterly dividend of Seventeen and one-half Cents (17½c) per share on the Ordinary Shares of the Company will be paid on the 31st day of May, 1960 to all shareholders of record at the close of business on the 16th day of May, 1960.

DATED at the City of Calgary, in the Province of Alberta, this 28th day of April, 1960.

By Order of the Board.
H. S. GREENWAY,
Secretary.

CANADIAN WESTERN NATURAL GAS CO. LTD.

DIVIDEND NOTICE

Preference Shares

Notice is hereby given that a quarterly dividend of Twenty Cents (20c) per share on the Cumulative Redeemable Preference Shares 4% Series of the par value of $20.00 each of the Company will be paid on the 1st day of June, 1960 to all shareholders of record at the close of business on the 16th day of May, 1960.

Notice is hereby given that a quarterly dividend of Twenty-seven Cents (27c) per share on the Cumulative Redeemable Preference Shares 5½% Series of the par value of $20.00 each of the Company will be paid on the 1st day of June, 1960 to all shareholders of record at the close of business on the 16th day of May, 1960.

DATED at the City of Calgary, in the Province of Alberta, this 26th day of April, 1960.

By Order of the Board.
H. S. GREENWAY,
Secretary.

OKANAGAN HELICOPTERS LTD.

DIVIDEND NOTICE

Notice is hereby given that the quarterly dividend on the 6% cumulative, redeemable, convertible, preferred shares of the company will be paid on June 15, 1960 to shareholders of record at the close of business on May 13, 1960.

By Order of the Board.
IAN KENNEDY,
Secretary.

May 2, 1960.
Vancouver, B.C.

EDDY PAPER COMPANY LIMITED

NOTICE OF DIVIDENDS

Notice is hereby given that the Board of Directors has declared the following dividends payable June 15, 1960, to shareholders of record at the close of business on May 16, 1960.

1. A quarterly dividend of twenty-five (25) cents per share on the outstanding cumulative convertible non-callable Class "A" shares of the par value of $20. each of the capital stock of the Company; and
2. A dividend at the rate of thirty-seven and one half (37½) cents per share on the outstanding common shares without nominal or par value of the capital stock of the Company.

C. G. BANGHART,
Secretary.

Hull, P.Q.
April 27, 1960.

National Distillers and Chemical Corporation

DIVIDEND NOTICE

The Board of Directors has declared a quarterly dividend of 30c per share on the outstanding Common Stock, payable on June 1, 1960, to stockholders of record on May 11, 1960. The transfer books will not close.

PAUL C. JAMESON
Treasurer

April 28, 1960.

HENRY MORGAN & CO. LIMITED

DIVIDEND NOTICE

The Board of Directors today declared the following dividends for the quarterly period ending May 31st, 1960:

4¾% **PREFERRED STOCK**—a dividend of $1.18 per share, payable June 1st, 1960, to shareholders of record at the close of business on May 6th, 1960.

COMMON STOCK—a dividend of 25 cents per share, payable June 1st, 1960, to shareholders of record at the close of business on May 6th, 1960.

C. F. TOPP,
Secretary-Controller.

April 29th, 1960.

NOTICE

CASSIAR ASBESTOS CORPORATION LIMITED

Notice is hereby given that an interim dividend of ten cents (10c) per share plus an extra dividend of five cents (5c) per share has been declared payable in Canadian Funds on July 22, 1960, to shareholders of record at the close of business on June 30, 1960.

By Order of the Board,
C. R. ELLIOTT,
Secretary-Treasurer.

Toronto, Ontario.
April 28, 1960.

DIVIDEND NOTICES

Agnew-Surpass SHOE STORES OF CANADA LIMITED

DIVIDEND NOTICE

Common Shares

84th Consecutive Dividend

A quarterly dividend of eighteen cents (18c) per share has been declared on all issued common shares of the Company, payable June 1, next to all common shareholders of record at the close of business on April 29, 1960.

By order of the Board
J. C. WHITE,
Secretary-Treasurer

Brantford, Ontario
April 27, 1960

REEVES MACDONALD MINES LIMITED

Notice of Dividend No. 8

Notice is hereby given that an interim Dividend of Twenty cents (20c) per share has been declared on the paid-up Capital Stock of the Company, payable on the 27th day of June, 1960, to shareholders of record at the close of business on the 28th day of May, 1960.

By Order of the Board.
J. WHITEHOUSE,
Secretary.

Vancouver, B.C.,
April 26th 1960

CANADA STEAMSHIP LINES LIMITED

PREFERRED SHARES DIVIDEND NOTICE

NOTICE is hereby given that a Dividend of Thirty-one and one-quarter cents (31¼ cents) per share on the preference shares of Canada Steamship Lines Limited has been declared payable July 4, 1960 to shareholders of record as at the close of business on June 1, 1960.

By Order of the Board.
GEO. L. COLE,
Secretary-Treasurer.

Montreal, Que.,
April 25, 1960

CANADIAN OIL COMPANIES LIMITED

WHITE ROSE

Notice is hereby given that dividends in the amounts per share set out below have been declared payable July 2, 1960 to shareholders of record at the close of business June 2, 1960, on the following shares of Canadian Oil Companies, Limited:

8% Cum. Pref. $2.00
5% Cum. Redeem., Pref. 1.25
4% Cum. Redeem. Pref. 1.00

By Order of the Board.
DOUGLAS ROBINSON,
Secretary.

Toronto, April 28, 1960.

THE TECK-HUGHES GOLD MINES, LIMITED

A dividend of 5c per share has been declared on the outstanding Capital Stock of The Teck-Hughes Gold Mines, Limited, payable June 1, 1960, to shareholders of record at the close of business May 5, 1960.

J. W. STEPHENSON,
Treasurer.

LAMAQUE GOLD MINES LIMITED

A dividend of 10c per share has been declared on the Capital Stock of Lamaque Gold Mines Limited, payable on June 1, 1960, to shareholders of record at the close of business, May 5, 1960.

J. W. STEPHENSON,
Treasurer.

NORANDA MINES, LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that an interim dividend of Fifty Cents (50c) per share, Canadian funds, has been declared by the Directors of NORANDA MINES, LIMITED, payable June 15th to Shareholders of record May 16, 1960.

By Order of the Board.
C. H. WINDELER,
Secretary.

Toronto, Ontario,
April 29th, 1960.

DONOHUE BROTHERS LIMITED

NOTICE OF DIVIDEND

NOTICE is hereby given that a dividend of $0.15 per share has been declared on the outstanding ordinary shares of the Company.

The said dividend will be payable on June 1st, 1960 to shareholders on record as at the close of business on May 16th, 1960.

By Order of the Board.
PERCY AUGER, C.A.,
Secretary.

CENTRAL-DEL RIO OILS LIMITED

DIVIDEND NOTICE

Notice is hereby given that an Interim Dividend of Ten Cents (10 cents) per share on the outstanding No Par Value Common Shares of the Company has been declared payable June 15th, 1960, to Shareholders of record at the close of business on May 20th, 1960.

By Order of the Board.
W. G. LEDINGHAM,
Secretary.

Calgary, Alberta, Canada,
April 22nd, 1960.

Market Bid and Ask Quotations

Montreal & Toronto
May 3, 1960

Stock	Bid	Ask
xAbacus	33	34
Abitibi	37¼	37¾
Do p	22¼	24
Ac-Atl	9¾	10
Do A	18¾	19½
Do p	82	87½
xAc Ur	7	8
xAcme	17	18½
Admi	17½	18
xAdvoc	325	330
Ag-S	18½	19½
xAgnico	70	72
xAjax	66	70
xAkaitc	34	37
xAlba	4	5
xAlta D	240	245
Do vt	180	185
Do w	82	85
Alt Gas	21¾	21¾
xAP Con	45	48
Algom	10¾	11
Alg C	17¾	18¼
Alg p	55	57
Alg C w	575	650
Algma	33½	34
Algon	7½	8¼
Do p	18	19½
Do wts	200	250
xAll R	22½	25
xAlmin	240	245
Alumi	29¾	29¾
Alu 1 p	20	20¼
Do 2 p	43¼	44
xA-Lar	20¼	25
xA Rare	6¼	7
xAm L	8	8¼
xA Nep	54	56
xAmur	..	725
xAnac	48¼	50
Analog	450	500
Do w	250	300
xAnch	10¼	11
A Pip p	49¼	49½
Ang-C T	48	50¼
Ang Hu	805	850
xAng R	17¼	22
xAnsl	9¼	10
Anthes A	29	30
Do B	..	34
Do B p	91	95
xArc w	4	5
xArea	83	89
Argus	28½	29
Do 240p	54½	71
Do 250p	43¼	44
xArjon	7	7¼
xAsama	55	60
Ash A	10¼	12¼
Do B	12¼	13
Ash T	8	9
Do A	92	100
Do B	9	10
xA Arc	36	37
Atl A	13¾	..
Do 1 p	15¼	20½
xAtl C C	120	139
Atlas	23¾	23¾
xAt Yk	6	8
xAt-Ruf	8	9¼
xAumac	6	7
xAumaq	9½	10
xAunor	245	250
Aut El	8¾	9
Aut F A	7	7½
Do B	300	360
xBlv SA	590	610
Bk Mtl	49½	50½
Bk NS	59½	60
Bang Cdn	50	53½
Barb-E	70	..
xBrclna	400	..
xBarnat	132	135
xBary E	44	46
xBase M	12	13
xBaska	7½	8
xBata	4	4½
Ba In	5	5¼
Bath A	43½	43¾
Do B	30	31½
xB-Duq	15	16
Beatty	6¼	6¾
xBeav L	8	10
B Lum	22	22½
xBibis	8	9
xBicrft	51	55
xBidcop	9	10
Bilt	6¾	7½
Do p	13	13¾
xBi Bay	11	12
xBordul	4	4¼
xBouzn	40	41
Bow p	43½	45
Do 5½ p	47½	49½
Bowat	7¼	7½
Bow-Mer	47	47½
Bowes	28	..
Boymr	6¼	7
xBrirn	485	490
xBralsa	41	59
xBrazil	385	395
Do p	79	84
Br T	6¼	6¾
Do p	43¼	44½
Bright	47	49½
Do p	20	20½
xBritalt	200	204
BA Oil	29	29¼
BCE 4 p	71¼	..
Do 4½ p	37¾	38
Do 4½ p	39	40½
Do 4¾ p	83	85½
Do 5 p	44½	45
Do 5½ p	49	50
BC For	12¼	12½
BC Pa	14	14
Do B	14	14
BC Pow	31	31½
BC Phone	43¼	44
Brck C pr	10¼	10¾
Brooke p	17¼	18¼
xBr Reef	41	42
Brown	14¼	14¾
Bruck A	8	9
Do B	250	295
xBrnsk	290	300
xBuffalo	7¼	8
xBuf A	202	205
xBuf RL	7	8
Bld Prd	30¾	31
Bull A	5¼	6
Do B	480	490
xBunk H	6¾	7
Burlon	15½	16
Burns	12¾	13¼
Burr A	6¼	8
xCable	11	12½
xCdmet	12¾	13½
xCalalta	41	43
Cal Ed	15	15¼
Cal Pow	18¾	19¼
Do 5 p	98	..
xCalv C	325	400
xCalvert	45	47
xC Chib	490	495
C R L	11¾	11¾
Canada		
xC Brd	360	400
Do B	360	54½
C Cem	27¾	28
Do p	24½	25
Eddy	56¼	60
Do A	56¼	61
Ed Ma	27½	28½
xElder	115	116
xEldr	15	16
xElectr C	98	..
Electrolux	18½	19½
xEl Sol	6	7
Emco	10	10¼
Em Life	56¼	60
En & Htg	..	5
Do B	..	5
Eq Life	53	58
Erie A	5	7¼
Do B	100	275
xEureka	24½	26
Falcon	28½	29½
Fam Pla	19¾	20
Fan F	15¾	16
xFrdy	75	76
xFargo	345	370
xFwest	7	8
xFatima	43	44
Fed Fire	36	..
Fed Gr	40¼	40¾
Do p	25¾	26¾
Fibre	6	6½
Do p	6¼	8
Fitting	6	8
Do A	8¾	10
xFleet	51	55
F Wood	10	10¼
Ford US	64¾	66
Ford C	155	158
Found	9¾	9¾
xFrnc	5	6¼
Fraser	26¾	27
Frei p	90	..
Do p	500	550
xFrbshr	151	154
Do db	86¾	88½
Frosst	14	14
Fruc	5	7
xGaitwn	5¼	7
Gatin	34½	34¾
Do 5 p	92¼	..
Do 5½	100	..
Geco	16¼	16¾
G Bak	7	7¼
G Dev	14¾	14¾
G Dyn	38	39
G Elec	87	87¼
GMC	42¼	43¼
xGP Dr	81	105
Do A	81	85
GP M A	..	30¾
Do B	34	..
GSW	11¼	12
Do p	86	90
xGenex	8	9¼
xGeo Sc	71	100
xGt Mas	23	27
xGiant	10¼	10¾
xGlacier	20¼	22
xGlenn	3	4
xGlendale	15½	18
xGF Mng	21	22
xGldry	18	22
Gdy	149	150
Do p	41	44
G Mac A	6¼	6¾
Do B	7¼	8
Gftn A	12¼	16
xGranby	535	..
Gr Toy	42	..
xGrdroy	11	12
xGduc	110	117
GL P	38	38½
GL Pow	24	25
Do p	22	23
Do w	650	700
GN G	6	6¼
Do p	35¼	37¾
Do 280	40	40¾
Do w	185	200
Do 58w	410	460
xGr Plns	905	940
xGW CA	460	475
Do B	325	325
G Wpg G	8¾	9
Do vt	6¼	8¼
Do 36w	300	350
Do 58w	410	460
xGr W	420	500
xGrning	350	375
xGryhk	2¾	3
Greyhnd	11¾	12¼
xGridoil	103	173
Guar T	26	26½
xGdich	6	7
xGuif L	4½	5
xGunn	820	830
Do w	15	17
Gurney	9¾	11
Do p	28¼	30
xGwnim	5	5¾
Hahn	10	10¾
Do 1 p	15	16
xHallnr	150	190
H Col	16	17
Do p	79¾	..
Hdy Andy	13	13¾
H Carp	11¼	11¾
Hardee	11	11¾
Do p	100	103¾
xHd Rck	11¾	12¾
xHar-M	6¾	8
Hartz A	9	12
xHasaga	13¾	16
xH of L	6	7
xHdway	28	30¼
xHeath	4½	5
xHees	400	525
xHendsh	420	..
Do p	91¼	92
xHigh-B	166	170
H D	53	55
Hi-T	7¼	8
Hold A	6	7¼
Do B	250	495
Holling	22¼	23¼
Ho O A	890	960
Do B	790	825
xHorne	355	375
H Smlt	..	38½
Do p	37	37¾
Howey C	238	248
xHoyle	300	320
Hud B	43¼	43¾
HB O G	19¾	19¾
xH-Pam	9	10
Hu O A	..	10½
Do B	10	13¾
Do p	25¼	..
Hyd Er	32¼	34½
xHydra	26	30
Imp B	33¾	34½
I Flo	37	37¾
I In A	9½	10
I Inv P	..	19½
Do p	20¾	23
Imp L	75	76
Imp O	31¾	33¼
I Tob	11¾	12
Do p	34	34¾
I Acc	35¾	35¾
Do 450p	84	90
Do 225p	42	47
Do 275p	46¾	48½
Do wts	10	11¼
Inger A	6	7
Inglis	5	5¾
Ingr B	7½	10
Do p	12	12¾
Ini C p	17	18¾
xIn G	430	460
Do p	13¾	13¾
Do w	130	140
xInspir	32	35
Int Bro	12	15
Do p	20¾	21¾
xI Moly	6	7
I Nickel	50¾	50¾
I Pete	43¼	43¾
Intprov	6¾	6¾
I BC 59w	41	75
Int Pl	55¾	56
I Util	32½	33
Do pr	40¾	41¼
IP Sti	495	500
Inv Sun	35	35
Do A	24	24¼
xIrish	106	107
xIrn B	275	280
Iroq G p	11¾	12¾
xIso	46	48
xJ Wal	33	34
xJacobs	110	112
Jam Pub	29¼	29¾
Jam PS	103	..
xJaye	19	24
Jeff	5¾	5¾
xJellico	10	10¾
xJburk	9	10
xJock C	220	225
Do p	9¾	9¾
Do B p	8¾	8¾
Do w	39	40
Jons-M	53¾	54¼
xJoliet	22	23
xJonsm	10¼	11
xJows	26	29
xJump P	18	20
xJupit	115	125
Kel D A	6¾	6¾
Do wts	300	350
Kelvin	7¼	8
xKenvil	4¾	6¾
Ker Ad	13¾	14
xKil	200	210
Do C w	29	30
xKirk M	32	36
xKirk T	7	8¼
Labatt	24	25
Labdor	21	22
Lafarge	7	8
Do w	100	..
Do A	..	8¼
xL Cin	73	75
xL Duf	57	62
xLkind	215	220
xL Ling	6	7
xL Osu	16	17
xL Shor	415	425
xL Was	31	36
L Wds p	130¼	135
xLa L	355	400
xLamq	310	320
Lamb L	..	31
xLanda	175	215
xLangis	68	70
xLat Am	36	37
L Sec	27	27½
Laur A	12¼	13
L J A	19	21
Do B	25	30
xLeitch	151	153
xLenc	5¼	6
Lewis Bro	10¼	11¼
xLexndn	2	3
xLLL	160	172
LobGro	92	120
Do 1 p	28	29
Lob B p	29	29½
Do 2 p	46	..
LobCo A	26	26½
Do B	26	26½
Do p	42¼	43¼
xLobA w	650	675
xLocanda	94	96
Loeb	7	7¼
xL Hos	90	130
Do A	350	400
xLIP	10	11
xL Point	53	54
xLorado	33	34
Do w	3¼	4¼
xLouvi	4	5
L St. Law	29½	..
Lown	24	24½
xLyndh	11	12
xLynx	7	8
xMacas	260	267
xMacdon	18	20
xMacfie	4½	5
Mackin St	7	9½
Do pfd	94	..
MacL A	23	23
xMacL	101	105
Mid & PR	14¼	14¾
xMadsn	280	285
xMagnt	5	7
Maher	23¼	24
Mailman	..	24½
xMajtrn	2	3
xMalart	75	78
xMan U	3	4
M Su p	..	94
xMan Bar	57	65
M L G	25½	28
M L M	12¾	13
Do p	87½	89
xMaraco	12	13
xMarcn	8	9½
xMargld	7	10
xMari	88	90
xMrtin	33¼	35
Mass-F	9½	9¾
Do p	97	97¾
Do 3½	96	96½
xMatar	7	7¾
Do A	540	550
xMaxw	325	340
xMayfr	100	115
xMaybrn	8	9
McB p	12¾	15
McC	15	30¼
McInt (n)	25¼	27
xMcKen	18	19
xMMar	5¾	6¾
xMWar	39	41
xMedal	176	182
xMent	18	19
xMerril	72	73
xMeta	7¼	8¼
M LP	13¼	..
Do p	12¼	13
xMidcon	37	40
Mid P	16¼	18
xMidr	56	57
xMidW	155	160
xMill C	21	22
xMillik	38	39½
xMill B	260	270
xMinda	6	9
Min Cp	11	11¼
xMin Or	5	5¼
Mitchell	20	..
Mitch Rbt	10¼	11
Do cl B	6	6¼
M C A	14¾	14¾
Mols A	20¼	21¼
Do B	21	21
Do p	40	40½
Moly	..	55¼
M Kn	6¾	8¼
Do p	79	83
M Inv	45	50
xMoneta	63	70
Ms Loco	16	16¼
Mtl Tr	43	44¼
Moore	41¼	41¾
Do A	1896	..
Do B	2844	..
Morgan	30	40½
Do 42 p	86	86½
xMt Wrt	50	51
xMulti	31	33
xMurr	52	53
xNama	11	12
National		
Nat Dr	14¼	14¾
xN Exp	4	5
N Groc	23	25
Do p	26¼	27
xN Hos A	350	..
Do B	200	225
N Lead	88¼	89¾
xN Pet	140	168
N St C	14¾	15
Nat Tr	49¼	50
xNealon	5¼	6
xNello	11	14
Neon	14¼	15¼
xNes L	10	12
New		
xN Alg	4½	5
xN Ath	25	27
xN Bid	7	8
xN Cal	37	39
xN Conc	6	8
xN Cont	24	25
xN Dav	13	15
xN Del	11	13
xN Dick	280	282
xN Gvue	5	7
xN Harri	9	10
xN Hos	72	74
xN Jas	6	6¼
xN Kel	8¼	9¼
xN Mid	15	15¾
xN Man	35	39
xN Myla	54	55
xNnor	4¼	6
xN Rou	5¼	7
xN Sen	3	4¼
xN Sup	43	49
xN Taku	12	15
Nia W	11	12
Do B	10¼	10¼
xNick M	36	38
xN Rim	40	50
xNipis	82	82
xNisto	5¼	6
xNor-Ac	11	15
Noran	38¼	38¼
xNorbeau	41	44
xNogld	3¼	4¼
xNoriar	20	21
xNrmet	300	315
xNorpax	7¼	9
xNorsyn	6	6¼
xNorcal	8	8¼
North		
xN Gate	41	43
xNCO	..	223
Do w	32½	35
Do p	21¼	25
xN Gld	27	28
xN Rk	27	31
xNthsp	82	86
Do A w	26	31¼
N Star	34¼	34¾
Do A	18½	19¼
N St p	46	48
Do w 57	200	205
Northern		
xN Can	110	120
No NG	12¾	12¾
Nq P	22¾	23¼
Do 1 p	43½	46
xNor Ph	345	360
Do w	80	97
Ntnid U	13¼	13¾
NW U p	60	70
xNthld	14¾	16
xNorval	9	10
xN Bcage	72	100
NS Lt&P	13	13¾
xNudul	11	14
Oak W	14½	15
xObask	6¼	7
xObrien	55	56
OC Cem	11	11¾
Off Sp	14	16¼
xOka R	9½	13
xOkalt	40	42¼
xOLeat	12	14
OB S p	82	..
O Loan	26¼	27
O Stl p	21¼	22¼
Do p	..	124
xOpemi	625	630
xOrchan	119	120
xOrena	6	8¼
xOrms	27	30
Oshawa A	6¾	7
xOsisk	28	30
Ovland	7	7
Do p	8¼	9
Pac P	995	10
Do w	630	695
Pge Her	23¼	25¼
xPali	32½	48
xPamoil	33	35
xPmour	59	60
xParam	7	8
xPardee	15	18
xParker	310	320
Patno M	400	405
Do w	31	33
xPato	255	260
xPym st	18	19
xPce Exp	11	15
xPriess	13¼	14
Pbina	74	74
Do p	40¼	43
Pmms	28¼	28½
Do p	102	110
PCJI	19¼	22
Do p	92	..
xPmo p	61	65
xPerron	15	16
xPeruv	111	130
xPetrol	62	65
xPhil	55	58
Ph Eng	14¼	14¾
xPck Cr	80	81
xPit-Or	3	5¼
xPlace	67	70
Placer	11¾	12¼
xPonder	48	49
xPortg	57	59
xP Rou	27	35
Pow Cp	43¼	46
xPrairie	190	209
xP Pipe	323	330
Prem F	151½	155
xP Iron	285	295
xPres El	60	68
xPrest	365	380
Price Br	75	78
xPrnto	223	230
xPros A	41	45
Prov Bk	34	34¼
xProv G	215	216
Prov Tr	14	14¼
Do pfd	40¼	..
xPrdex	5	6
xQ Ascot	9	10
xQ Chib	18	19
xQ Cop	13	14
xQ Lab	3	4
xQ Lith	250	265
xQ Man	10	14
xQ Met	53	55
Qn Gas	13¾	13¾
QN Gun	75¼	75¼
xQNG w	425	560
Que Pwr	35¼	38¼
xQunst	12¾	14
xQuem	970	975
xQuin	405	..
Do A	11¼	11¾
xQnto	6¼	7
xRdior	61	63
xRainv	25	28
xRanger	125	127
Rap-Grt	14¼	15¾
xRayro	47	48
xRealm	25	27
xReef	3	5
xReeve	190	200
Reichld	18	19
Reitmn	13	15
Do A	12	13
Reitmn	176	180
xRexsp	33	35
Reyn-p	82	86
xRio R	6	6¼
R Sk A	7¾	7¾
Do B	25	300
xRix	16	18
Robtsn J	15¼	17
Robetsn	16¼	17¼
Do A p	18	19
Do 2 p	16	17
xRobin	350	400
Do p	155	..
R Little	13	13¼
Do A	15¼	16
xRoche	10	10½
xRckwn	20	21
xRky p	5	5¼
Roe AV	5	5¼
Do p	74	75
Rolland P	31¼	33
Do pfd	71	..
xRowan	6	7
Roy Bk	67	67¼
Do Rts	261	262
Roy O A	10	10
xRoyalit	710	725
Do p	182	182
Russell	10¼	11¼
xRyanr	9½	12
StL C	11¾	12¾
Do p	16¼	16¾
Do A p	92	95
xSt Maur	78	80
Sal	9¼	9¾
Do w	495	525
xSan A	47	52

THE WEEK'S QUOTATIONS

Quotations here listed are the official, exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations

Montreal and Toronto Winnipeg, Calgary and Vancouver

Bid and Ask quotes of Toronto and Montreal exchanges up to press time are published on page 43

Industrial Stocks

WEEK ENDING APRIL 29, 1960

Range 1960 High	Low	Div. $	Yld %	R'te Apr 29	Company	Sales	Last Apr. 22	Week end. Apr. 29 High	Low	Close or Latest
.42	.24				Abitca Lumber	27900	.37	.36	.30	.30
41¾	33	1.70	4.5		Abitibi	12850	37¾	38¾	37	38
23	21¾	1.12½	5.1		Do. 4½% pref.	680	21¾	22¼	21¾	22⅛
71	91¼	.60	6.1		Acadia Atlan.	550	10	9⅞	9⅜	9⅝
87	87	5.00	5.7		Do. 5% pref.	25	90	87	87	87
19¼	17¾	1.20	6.5		Do. (A)	80	18	18¾	18½	18½
					Admiral	nil		B17½	A17¾	17¾
.21	17¾	.70	3.7		Agnew Surp.	525	19½	19	18¾	18¾
					Alaska Y. Pipe	nil			A2.00	2.50
.75	.70				Alaska Refin.	nil				.75
6½	6				Do. pref.	nil			A5	6½
2.90	2.25				Albt. Dist.	1115	2.50	2.50	2.45	2.45
2.35	1.75				Do. V.T.	2950	1.85	1.95	1.80	1.85
1.20	.78				Do. S. Pur. W	1050	.84	.85	.80	.80
28½	20¼				Albt. Gas Tr.	17430	21½	22	21¼	21⅜
19¼	17	1.00	5.5		Algoma Cent.	100	18½	18½	18	18
.60	.52½	3.00	5.5		Do. 6% pref.	90	57	56	55	55
6.10	4.50				Do. Warr.	88	5.85	5.75	5.75	5.75
40½	32¼	.60			Algoma Steel	9872	34¾	35	33½	33½
8	7	.25			Algonquin	nil		B7⅞	A8¼	8
18½	18⅛	1.30	6.8		Do. pref.	nil		B18	A19½	19
					Do. Sh. Pur. W	nil		B2	A2½	
28⅞	28	.30			Aluminium	19933	28¾	29⅜	28¾	28⅝
21	19½	1.00	4.9		Alum of Can 1 p	622	20¾	21	20⅛	20½
43½	40	2.25	5.2		Do. 2nd pref.	1230	42	43½	42⅛	43¼
9⅛	5¼				Analogue	2200	6.00	6.37½	6.12½	6.12½
4.00	2.10				Do. Warr.	nil		B2.50	A3.00	2.50
7	6¼	.35			Andian Nat.	100	6¾	7	7	7
132	124¼	.50			Anglo Can. Oils (Brandon)	nil		B27	A32	32
42	35	2.00	5.5		Ang. Cdn. Pulp	150	37½	37½	36½	36½
51	49	2.80	5.6		Do. pref.	292	49½	50	49	50
41	37	2.25	5.7		Ang. Can. Tel. p	5	39½	39½	39½	39½
50½	47½	2.90	5.8		Do. $2.90 pref.	420	48½	50	50	50
7⅛	6¼	.20			Arg. Nfld.	2305	6¾	6¾	6¼	6½
		.25			Argi-Second. Inv.	nil		B8		
38	30	.36			Anthes Imp. A	nil		B29	A30	31
		.007			Do. (B)	nil			A34	
.92	.85	5.50	5.9		Do. 5½% pf. B	5	91	93	93	93
25¼	26½	1.00	3.5		Argus	1935	28	28¼	28	28⅛
64½	55	2.40	4.4		Do. A pref.	55	57½	55	55	55
47	43	2.50	5.7		Do. B pref.	25	43½	44	44	44
		1.00			Aro Equip.	nil				
26¼	20⅝	1.20			Asbestos	4180	24¼	26	24½	25
9	7½	.80	8.9		Ash Temple	140	8½	9		9
		6.00			Do. A	nil		B92	A100	90
	6	.65	7.2		Do. B	nil		B9	A10	9
111	103⅜	.60	5.5		Ashdown Hdw. A	10	110⅞	111	111	111
13½	10½	.72	5.6		Do. B	225	12	13	12¾	12¾
		4.00			Assoc. T.&T. pfd.	nil				101
14½	12				Atlan. Accept.	250	13½	13½	13½	13½
118	115	1.10	7.5		Do. pref.	1555	B115¼	A19⅛		115
28	21¼	1.00			Atlas Steels	6525	23½	24	23	23¾
.53	.40				Atlas Tel.	74329	41	.45	.40	.45
9½	8½	NEW			Auto Electric N.	580	9	9¼	8½	8½
8	6¾	.15			Auto Fabric A	100	8	7¼	7¼	7¼
3.80	3.00				Do. B	100	3.00	3.00	3.00	3.00

B

55¼	47½	1.60			Bk. Can. Nat.	926	50	50½	50	50
55¼	47¼	1.80			Bk. Montreal	7440	50¼	50⅝	49¼	49⅝
71¼	60	2.20			Bk. N. Scotia	1740	62½	62½	60	60
41	35	1.00			Bk. Provinciale	704	26	35⅞	35	35⅝
		4.00			Barber-Ellis	nil		B70		
		3.50			Do. pfd.	nil				
					Barcelona			B3.00	A5.00	5.25
15	15				Bates & Innes A	25	6¾	15	15	15
44	37	2.00			Bathurst Pr. A	945	40	44	40½	44
33¾	22¼				Do. B	8115	27½	33¼	29	32¼
7¼	6¾	.40			Beatty Bros.	200	6¾	6¾	6¼	6¼
24½	21	1.00			Beaver Lumber	75	22½	22½	22	22½
16½	16	1.00			Do. A			B16¼	A16½	16
25⅞	25¾	1.40			Do. pref.	nil		B25	A25	24¾
13	10¼	.15			Belding Cort.	110	12½	12½	12½	12½
12	12	.70			Do. pref.	nil		B10	A13	12
8½	8½				Belgium Stores	nil		B7½	A9½	8½
13⅞	13⅜	1.00			Do. pref.	nil		B13¼		13½
45	42¼	2.20			Bell Telephone	37681		44¼	44¾	44¾
6½	6¼	.40			Biltmore Hats	nil		B6¾	A7½	6¼
14	12¾	1.00			Do. A pref.	15		13¾	13¾	13¾
55	55	2.40			Bird Constr.	100	55	55	55	55
		.20			Blue Bonnets	nil			A9	8
					Do. warr.	30	1.20	1.25	1.25	1.25
47	45	2.75			Bowater Mer. P.	154	46¾	47½	47	47
10¾	7¼	.28			Bowater Pap. P.	2683	9¼	9¾	7¼	7¼
56	41	2.50			Bowater N.A. 5% p.	1000	44	45	44¾	45
48	45	2.75			Do. 5½% pref.	435	46¾	47½	47	47
30	27	1.00			Bowes Ltd.	50	27	30	30	30
7¼	6¾	.60			Boyles A			B7¼	A8	7¼
4.10	3.50				Do. B	100	3.50	3.50	3.50	3.50
4.75	3.70				Brazilian Tr.	10460	3.95	4.00	3.70	3.80
185	182½	6.00			Do. pref.	9	185	182½	182½	182½
	NEW				Bridge & Tank n.	nil		B6¼	A6⅞	
47½	41	2.90			Do. pref.	10	42	42½	42½	42½
47½	42	1.00			Bright, T. G.	200	46	47½	47½	47½
120¼	120	1.15			Do. 5% pfd.	30	120	120	120	120¼
53	51	.50			Br. Am. B. Notes	180	52	52	51	52
35½	29	1.00			Brit. Amer. Oil	19218	29¾	29¾	29⅝	29¾
72	69	3.00			B.C. Elec. 4% pf.	70	72	71¾	71¾	71⅝
36	32	2.12½			Do. 4¼% pref.	5	37⅜	37¾	37¾	37¾
42	37	2.25			Do. 4½% pref.	195	40	42	40	40½
85	80	4.75			Do. 4¾% pfd.	152	84½	85	84	85
43¼	42½	2.50			Do. 5% pfd.	400	44¾	45	44¼	44¾
50	47	2.75			Do. 5½% pfd.	709	49	49	48	49
14¼	11⅞	.25			B.C. Forest	3930	12¼	12⅝	12⅛	12¼
5	4	.25			B.C. Packers A	135	14	14	14	14
14½	14	1.00			Do. B	1175	14	14	14	14
37½	30¾	1.40			B.C. Power	13486	31¾	32	30¾	31¼
43⅞	42	2.20			B.C. Tele.	1992	43¾	43¾	42¾	43¾
1.30	1.10				B.C. Turf	100	1.20	1.20	1.20	1.20
11¼	9⅝				Brockville Ch. pf.	1950	10½	10½	10	10¼
17	14	1.04	6.1		Brooke Bond pf.	65	18½	18½	17	17
14	9⅞	.36			Brown Co.	5470	12½	14	13¾	13⅝
11	8	.30			Bruck S. Mills A	650	18¾	8½	8	8¼
3.00	2.50				Do. B	100	2.50	2.50	2.50	2.50
34½	29¼	1.60			Build. Prod.	475	33½	33½	30	30½
6	6	.50			Bulloch's A	230	6	6	6	6
5	3	.25			Do. B	10	5	4¾	4½	4½
18	13¾	1.60			Burlington Stl.	280	16½	16½	15¾	16
13½	12¼	.80			Burns & Co.	2013	13	13	12⅞	12⅞
7	5	.45			Burrard D.D. A	1900	6	7	6	6½
9	9	.60			Burrard Mtg.	nil		B9	A9½	9
2½	2½				Do. warr.	nil		B3¾	A4	2½
2.10	2.10				Butterfly Hos.	nil		B2.10		2.10

C

19⅞	16½	.40			Calgary Pwr.	7495	18¾	19	18½	19
100	93	5.00			Do. 5% pref.	10	94½	99	99	99
Canada										
3.75	3.50	.10			Canada Bread	nil		B3.60	A4.00	3.50
154¾	134¾	2.50			Do. pref. B	nil		B50	A54¼	154¼
33¼	27	1.00			Canada Cement	6290	27½	28	27¼	27½
26⅝	24½	1.25			Do. pref.	585	24¾	25	24¾	25
13	12¾	.20			Can. Cr. & C. St.	25	13¾	13¾	13¾	13¾
17¾	14¼	.60			C. & D. Sugar	1738	14½	15	14⅜	15
14	13	1.00			Can. Floor B	150	13	13	13	13
22	20	.60			Can. Foils	10	21	19	19	19
21	20	.60			Do. A			B19½	A21¼	21
					Can. Forg.			B9	A12	12
22¼	21	1.50			Do. A	500	22	21	21	21
23¾	20	1.50			Can. Iron	5065	21	21	20¾	20¾
83	75	4.25			Do. 4¼% pref.	5	75	75	75	75
		1.50			Can. Machine	nil		B10	A15	15
57	43½	2.00			Can. Malting	667	49¼	50	49¼	49½
24¾	23½	1.17			Do. 4½% pfd.	742	23½	24	23½	23½
12	11	1.75			Can. Packers A	83	45	45	44¼	44¼
47½	41½	11.75			Do. B	390	42¾	42¾	41½	41¾
58	48	2.00			Can. Perm. Mtg.	75	53	54	50½	50½
84	79	4.40			Can. Safeway pf.	25	81½	83½	83½	83½
45½	39½	1.40			Can. Steamships	596	40¾	41¼	40½	41
11½	10¾	.62½			Do. pref.	474	10¾	11½	10¾	11¼
34	29¼	1.20			Can. Vinegars	nil		B29½		31
					Can. W. Cord A	nil				
					Do. B	nil				
	4.00				Can. W. Cable A	nil				100
9¼	6¾	.05			Do. B	300	7½	7½	7½	7½
Canadian										
	14.00				Canadian Arena	njl		B160		155
16	13				Cdn. Aviation	110	15	14¼	14	14¼
6¾	6	.25			Cdn. Bakeries	100	6¼	6¼	6¼	6¼
56	46⅞	1.60			Cdn. Bk. Com.	3985	51	50½	49¾	49¾
37¾	31	1.60			Cdn. Breweries	2351	32	34¼	33	33¼
16	11½				Cdn. Br. Al. A	280	12	12	11½	12
7.05	4.25				Do. warr A	4750	4.75	4.75	4.25	4.30
6.60	4.50				Do. warr A	410	4.60	4.55	4.50	4.50
22½	20¼	1.50			Cdn. Bronze	480	22	22	21	21
100	80	5.00			Do. pref.	nil			A82	80
14	12	.75			Cdn. Canners A	240	13¾	13	12¾	13
23	18½	.75			Cdn. Celanese	1550	19	19¼	18½	18½
30¾	26	1.75			Do. $1.75 pref.	285	28¾	29½	29	29½
18	16	1.00			Do. $1.00 pref.	100	16¾	16½	16½	16½
7¼	5⅞				Cdn. Chem. Ltd.	5170	6¼	6¼	6	6
11¾	7½				Cdn. Collieries	8340	9¼	9½	8¼	8¾
.85	.72	.05			Do. pref.	4225	.77	.80	.75	.76
4	2				Cdn. Convert. A	100	4	4	4	4
	12				Do. B	nil		B4.75		14.75
2.75	1.45				Cdn. Curtiss W.	6600	1.80	1.85	1.45	1.60
18	15½	.25			Cdn. Drawn Stl.	50	16¼	17	17	17
12¾	10½	.60			Do. pref.	nil		B10¾	A11¾	11
18	13¾	.50			Cdn. Dredge	175	14	14¾	14¼	14¼
16¾	8¼	.70			Cdn. Fairb. A	480	9½	10	9½	9½
7	6	.60			Do. B	265	8	7	6½	7
	6.00				Do. pref.	nil				83
3.80	3.10				Cdn. Food Prod.	nil		B3.10	A3.50	3.10
9	6½				Do. A	33	7	7	7	7
60¼	45¼				Do. 4½% pref.	95	51	52	51	51
1000	1000	8.00		+4.00	Cdn. Gen. Elec.	nil		B950		1000
33¼	28¾	1.20		+.15	Cdn. G. Inv.	478	29½	29½	28¾	29½
15	13½	.50			Cdn. G. Sec. A	15	13½	13½	13½	13½
18	16	.50			Do. B	nil		B16	A19	16
12½	9¼	.20			Cdn. Hydrocarb.	1696	10	10	9½	9⅝
6½	6½	.10			Cdn. Ice Mach.	nil		B6		6½
11½	10½	.80			Do. A	nil		B11½	A11¾	10½
17¼	13⅛	.50			Cdn. Indust.	2544	13¾	14¼	13½	14
76	71	3.75			Do. pref.	80	71	72	69½	72
40	37¼	1.00		+.25	Cdn. Ingersoll R.	576	40	40	40	40
21	19	.50			Cdn. Int. L. Trs	nil		B18½	A19½	19
78¾	77½	5.00			Do. pref.	nil		B77½		175
15	12¼				Cdn. Int. Pwr.	3505	13	14¼	13¼	14
43½	40	3.00			Do. pref.	310	40	42	40½	42
1.80	.60				Cdn. Kodiak	500	75	.60	.60	.60
7	6				Cdn. Locomo.	70	14½	15	14½	14½
6.00	4.90				Cdn. Marconi	190	5.25	5.37½	5.00	5.00
20¼	19¼	.80			Cdn. Oil	2390	22	21¾	20½	20½
178	172¼	4.00			Do. 4½% pref.	nil		B76	A80	175
93½	90	5.00			Do. 5% pref.	nil		B95	A99	93½
139½	138¼	8.00			Do. 8% pref.	nil		B138	A140	139
26½	22⅞	1.50			Cdn. Pacific	11474	25¾	25½	25	25⅛
13½	9½				Cdn. Petro. pfd	1393	9¼	10	9½	9⅝
7⅛	5¾	.20			Cdn. Pr. & Pa. S.	100	5¾	6	6	6
2.64¼	1.90				Cdn. Propane	500	1.90	2.55	2.50	2.55
29¼	35				Cdn. Salt	25	35	35	35	35
3.25	.75				Cdn. Silk A	nil		B.65	A1.00	.75
199	170	6.00		+2.10	Cdn. Tire	35	181	184	180	180
	11.00				Do. pref.	nil				11.00
86½	83	5.00			Cdn. Utilities pf.	70	83¾	85	83	84
70	70	4.25			Do. 4¼% pref.	nil		B68	A69¾	70
17¼	12⅜	.60			Cdn. Vickers	270	13¼	13⅝	13	13
36	27	1.25			Cdn. Wallpaper A	35	36	33	32	32
40	28	1.25			Do. B	45	34½	34½	31¾	31¾
15	13½	.80			C. W. Gas 4% p.	100	14½	14½	14½	14½
20	18¼	1.10			Do. 5½% pfd.	150	19	19	19	19
45¼	39	1.00			C. Westinghouse	nil		B42½	A48¾	41¾
1.20	1.00				Canaramic	nil		B1.00	A1.20	1.20
					Do. pref.	nil		B2.25	A2.75	2.50
					Do. warr.	nil				.50
1.40	1.40				Cantexas A	nil		B1.20	A1.40	1.40

Range 1960 High	Low	Div. $	Yld %	R'te Apr 29	Company	Sales	Last Apr. 22	Week end. Apr. 29 High	Low	Close or Latest
10½	9	.26			Capital Estates	665	10	9⅜	9	9
1.00	.85				Carling Br. Alta	1000	.85	1.00	1.00	1.00
1.00	1.00				Do. V.T.	nil				1.00
12¾	12	.60		+1.35	J. B. Carter A	nil		B12½		12½
55	55	2.00		3.6	Do. B	nil		B50		55
39⅝	38	.50		+.25	Catelli Food A	nil		B39½	A40	39½
63½	60½	2.00		3.3	Chart. Trust	nil		B62½	A63½	60½
24	22¼	1.00		4.5	Chateau-Gai	10	22¼	22	22	22
58	45	1.00			Chrysler Corp.	570	50¾	49	45	45
		.15			Cinzano A	nil		B1.50		11.10
1.65	1.65	3½%			Do. 5½% pref.	nil				1.65
5¼	3				Circle Bar Knit	nil			B5⅜	A5⅞	5¼
6¼	5¾				Do. A	nil			B5⅜	A6⅞	5¾
20	19	.15			Cochrane-Dun.	145	20	19	17	17
15½	15	.80		5.2	Do. A	50	15	15½	15½	15½
25¼	14⅜				Cockshutt Farms	1195	16⅜	16	14¾	15
3¼	3½				B. J. Coghlin	2	3½	3	3	3
4.25	2.25				Cold Lake Pipe	1000	3.00	3.00	2.90	3.00
133⅛	113¼	1.00			Coll. Terminal	50	113½	113¾	113¾	113¾
114	113½	1.00			Do. pref.	nil		B113¼	A116	113½
4.90	3.75				Columbia Cell.	2355	4.00	4.00	3.85	4.00
6.11	8.20	.60		6.7	Comb. Enter.	1845	8½	9⅛	8½	9
135	125	.80		+.20	Conduits Nat.	50	12½	12½	12½	12½
137	134½	2.00		1.5	Conf. Life	10	137	134½	134½	134½
165	156				Do. offered	120	157½	165	162¾	165
9	8	.50		5.1	Cons. Bakeries	100	8¾	9	8½	8¾
95	75				Cons. Div. Sec. A	nil		B.75	A1.10	1.60
132	130	2.00		6.7	Do. pref.	nil		B31		130
		.25			Cons. Fire Ins.	nil		B5.00	A7.00	5.80
20	17	.80		4.4	Cons. Min. & Sm.	8257	17½	18	17½	18
44⅜	36½	1.60		+.40	Cons. Paper	5739	39¾	40	39	39¼
2.00	2.35				Cons. Textiles	nil		B2.25	A2.75	12.00
20	20	1.00		5.0	Do. pref.	nil		B10		20
38⅛	34	1.00		2.6	Consumers Gas	7123	37¼	38¼	37	37¾
103	99	5.50		5.3	Do. A 5½% pf.	85	100½	103	102	103
103	99	5.50		5.4	Do. B 5½% pf.	60	102	102½	102	102½
29	22½	1.50		6.4	Consumers Glass	75	24	23¾	23½	23½
42	42	.80			Cont. Can.	nil		B40⅝	A40½	42
7⅛	3¾	.40		+.10	Copp Clark	700	7⅛	6¼	15½	6
18¾	16½	1.10		6.4	Corbys Vot.	861	16¾	17¼	16⅝	17¼
18	16½	1.10		6.4	Do. B N. Vot.	433	16½	17⅛	16½	17½
9⅜	8¾	.50		5.5	Coronation Mtge.	100	9⅛	9⅛	9⅛	9⅛
12¾	12	.70		+.10	Cosmos Imp.	2220	12⅛	12	12	12
2.00	1.80	.04			Craig Bit	400	1.90	1.90	1.90	1.90
22½	18	.10		+.1	Crain R. L.	1320	19¾	19½	18¾	19¼
11¾	8¾				Creative Tele.	36260	9¼	10¾	8¾	10⅜
5	4½				Credit Accept.	745	4.70	4.70	4.70	4.70
110	102¼	2.50			Credit Foncier	nil		B100	A106	105
58	55	1.00			Crestbrook Tim.	nil		B56	A60	56
10	9½	.50		6.3	Crush Int.	24027	9¾	9¾	9½	9¾
104¼	99½	6.50		6.3	Do. 6½% A pf.	110	104	104¼	104	104

D

186	185	7.00		8.2	Dalex Co. pf.	nil			A85	185
1.75	1.10				Dalfen's Ltd.	3600	1.20	1.35	1.10	1.10
	43	3.00		6.8	David & Fre. A	70	45	44	44	44
		15.00			De Havilland A	nil		B150	A299	190
48	27⅝	1.20		+.50	Distill.-Seagram	8298	28¾	29¾	28½	28⅞
31½		10.00		+8.00	Dom. Ang. Inv.	nil		B500		535
193	193	5.00		5.4	Do. pref. Inv.	nil			A93	193
	17	80		+.20	Dom. Bridge	3945	19⅜	20	19¼	19¾
4.25	3.50				Dom. Coal pref.	225	3.75	3.75	3.50	3.50
17½	17¼	1.00		5.9	Dom. Corset	nil		B15½	A17	17
11	9⅜	.40		4.2	Dom. Dairies	198	10½	10	19¼	9⅜
136	122	1.75		6.7	Do. pref.	nil		B124¾		126
7½	7¼	.10			Dom. Electro	200	7½	7¼	7½	7¼
5.45	3.50				Do. warr.	75	4.00	4.00	4.00	4.00
19	16	1.00		6.0	Dom. Engineer.	170	17¼	17½	16¾	16¾
12	9	.60		6.7	Dom. Fabrics	nil			A9	9
	20	1.50		7.4	Do. 2nd pref.	nil		B20½	A20½	120¾
52	42½	.70			Dom. Fdry.	5313	43¼	43¾	42½	43¾
97	94	4.50		4.7	Do. 4½% pref.	100	98	98	97¼	98
90	71	.10		+.60	Dom. Glass	325	77	77	73½	73½
14	12¾	.70		5.5	Do. pref.	nil		B12¼		12¾
310	310	8.00		2.6	Dom. Insur.	nil			A310	310
8	6¾				Dom. Magnes.	575		.7	6¾	6¾
40½	35	2.00		+.20	Dom. Oilcloth	190	36	36	35½	36
33	31	.80		+.20	Dom. Scot. Inv.	10	31	30	30	30
42	40¾	2.50		6.2	Do. pref.	nil		B40	A40	40
153	124¼	.40		3.4	Dom. St. & Co.	400	127½	13	12¼	12¾
55	41	1.25		2.4	Dom. Stores	2151	49¼	51¾	49	51¾
16½	13½	.60		4.2	Dom. Tar & Ch.	9487	14⅜	14⅝	14	14⅛
19¼	18½	1.00		5.2	Do. pref.	75	18½	19¼	19	19¼
10⅜	8⅝	.60		6.5	Dom. Textile	4772	9⅛	9¼	9	9¼
125	110	7.00		5.8	Do. pref.	nil		B110	A131	120
16	13⅝	.60		+.15	Donohue Bros.	285	14½	14½	14¼	14¼
13½	12	.60		+.20	Dover Ind.	nil		B11½	A12	12¼
9	9	.60		6.7	Do. pfd.	nil		B9	A10	9
45	45	1.50		3.3	Dow. Brew.	699	45	45	45	45
26¼	20¾	.50		2.0	Du Pont of Can.	3422	24⅛	24½	23	24½
76	73	3.75		5.0	Do. pfd.			B69½	A75	75
7	6¾	.55		8.3	Dupuis Fre. A	213	7	6⅝

Mining Stocks

WEEK ENDED APRIL 29, 1960

Range 1960 High	Low	Company & Dividend ($)	▲Sales	Last Apr. 22	Week Ending April 29 High	Low	Close or latest
		A					
.40	.26	Abacus	68499	.34	.36	.31½	.326
.11½	.07	Acadia Ur. ..	15000	.07	.07½	.07	.07
.06½	.04½	Ad Astra ..	10500	.06	.06	.05	.05
3.65	2.60	Advocate ...	5290	3.25	3.45	3.25	3.35
.15	.11	Agassiz	nil	..	..	A.15	.15
.78	.60	Agnico *.06 ..	6174	.72	.73	.70	.72
.44	.34	Akaitcho	14310	.38	.37	.34	.37
.07½	.04½	Alba	4500	.05	.04½	.04½	.04½
3.25	2.20	Algom $▲2.50	2120	11.00	11.00	10.62½	10.75
.20	.11	Alscope	600	.11	.12	.11	.11
.26	.16½	Amal. Lard ..	2017	.22	.23	.22	.23
.10	.06½	Amal. R.M. ..	1000	.07	.06½	.06½	.06½
.64	.03	Amerim	1450	.03	.03	†.01½	†.01½
.65	.52	Am.-Scot. 04	13550	.58	.58	.52	.52
.90	.49	Anacon	20766	.53	.55	.49	.49
8.12½	7.55	Anglo-Hur. .50	4875	9.00	9.00	7.55	7.75
.27	.17½	Anglo-Rou ..	3100	.18	.20	.17½	.17½
.35	.09½	Ansil	52000	.11	.11½	.09½	.10
.08½	.04½	Anthonian ..	1500	.04½	.04½	.04½	0 4½
.07	.03½	Arcadia Warr.	5600	.05	.05	.04	.04
1.02	.71	Area	4200	.83	.85	.83	.83
.10	.07	Arjon	2000	.07½	.07½	.07	.07
.08	.04½	Arno †	4320	.04½	.04½	†.02½	.04½
.60	.35	Assoc. Arcadia	6950	.40	.36	.38	.38
1.10	1.20	Atl. Coast Cop.	1800	1.20	1.40	1.20	1.20
.12	.04	Atlas Sup. ..	2267	.06	.06	.06	.06
.08½	.06	Atlas Y.te ..	nil	..	B.06	A.08	.06½
.13½	.06	Atlin Ruff ..	4900	.08	.09	.08½	.09
.38	.25	Augustus	4800	.28	.30	†.20	.28
.11	.06	Aumacho	2000	.06½	.06½	.06½	.06½
.19	.06	Aumaque	19000	.10	.10½	.09	.09
2.95	2.35	Aunor .15	600	2.60	2.60	2.55	2.55
		B					
.20	.11	Baker Talc ..	nil	..	B.12	A.17	.12
.05	.03½	Band Ore	nil	..	B.03½	A.08	.03½
.32	.19	Bankeno	8744	25½	.28	.25	.25
.09	.07½	Bankfield ...	1000	.07½	.07½	.07½	.07½
1.63	1.30	Barnat	8125	1.30	†.35	1.30	1.30
.05	.04½	Barvallee	nil	..	B.04	A.05	.04½
.55	.42	Baryger ... 03	1200	.46	.46	.45	.45
.17	.12	Base Metals ..	6100	.17	.14	.12½	.13
.08½	.07½	Basko	15000	.08	.08	.07½	.08
.43	.20	Bateman	9800	.23	.21½	.20	.21
.05	.03	Beatrice Kenti	nil	..	B.03	A.04	.03
.24	.15	B'Tie Dug	5720	.15½	.17	.16	.17
.45	.40	Beauce Placer	nil	..	B.40	..	.40
.18	.08	Beaver L'ge ..	6500	.09½	.08½	.08	.08½
.75	.53	Beicner	8550	.53	.55	.53	.53
.55	.39	Bellechasse ..	10000	.55	.54½	.50	.50
.06½	.04	Bell-Chib	1000	.04	.04	.04	.04
.40	.19	Bellerre	500	.28	.29	.29	.29
.92	.65	Bethle'm	6900	.69	.68	.65	.68
.19	.13½	Beveda	3000	.14	.14½	.13½	.13½
.15½	.08	Bibis-Yuk	13500	.09	.09	.08	.09
.67	.44	Bicroft	12850	.51	.53	.51	.51
.14	.07	Bidcop	5500	.10½	.09	.08	.08
.27½	.12	Black Bay ..	8700	.12½	.13	.12½	.12½
.05	.05	Bordalac	19500	.05	.05	.05	.05
.07	.05	Borntge	nil	..	B.05	A.06	.05½
.65	.39	Bouzan	23350	.39	.40	.39	.40
.08	.06	Boymar	19165	.06½	.07½	.06½	.07½
4.55	4.70	Bralorne-P. 40	11272	5.00	5.15	4.70	4.70
.52	.41	Brouan	2500	.44	.44	.41	.41
3.40	2.80	Brunswick	3300	3.30	3.30	3.10	3.10
.12½	.07½	Buffadison ..	13200	bid½	.08	.08	.08
2.25	1.70	Buffalo Ank.	11850	2.20	2.20	2.00	2.05
.08	.06	Buff Fl.	1000	.07	.07	.07	.07
4.95	3.90	Bulolo $ 45 ..	2130	4.75	4.75	4.50	4.50
.09½	.06½	Bunker Hill .	9832	.06½	.06½	.06½	.06½
.24	.11	Burnt Hill ...	6000	.13	.11½	.11	.11
.10	.06½	Burrex	nil	..	B.02	A.14	.07½
		C					
.26	.11	Cable	2500	.11	.11½	.11	.11
.16	.12½	Cadamet	2300	.12½	.12½	.12½	.12½
.05	.03½	Calumet	nil	..	B.03½	A.04	▲.02
4.90	4.30	Camp Chib. ..	10085	5.00	5.15	4.80	4.90
		Camp R.L. ..					
14.50	11.75	.35 ▲.05 ..	725	12.75	12.50	11.75	11.75
		Canada					
1.50	1.40	Can. Tung. ..	4800	..	1.50	1.40	1.45
		Canadian					
.08	.05	Canadian Ast.	1586	.05	.06	.05	.06
.60	.25	Cdn. Dyno ..	5962	.36½	.37	.33	.34
1.60	.42	Cdn. Ma.	23100	.48	.49	.45	.49
.27	.12	Cdn. N. Jrea ..	9630	.14	.15	.12½	.12½
.43	.22	Cdn. N.West.	6966	.23	.23	.22	.22
.06	.04	Cdn. Ther. ..	100	.04	.04½	.04	.04½
.07	.04	Canalask	nil	..	B.06	A.07	▲.03
.15½	.10	Canam	8000	.10	.13	.12	.13
.16½	.12	Candore	2500	.13	.12½	.12½	.12½
1.47	.82	Can.-Erin	38550	.86	.92	.85	.86
.60	.45	Canorama	33830	.50	.52	.49	.50
.03	.03	Canuba	500	.03	▲.01	▲.01	▲.01
.06	.05	Carlin	nil	..	B.04½	A.05	†.03
.09	.06	Captain	6500	.06	.08	†.07	.08
.11	.05	Carbec	5500	.05	.05½	.05½	.05½
1.18	.90	Carlboo	11400	1.00	1.00	.92	.95
.45	.12	Cartier Q. ..	6100	.16	.14	.12	.13
		Cassiar Asb.					
13.75	10.85½	40 ▲.15	4605	12.87½	12.87½	12.25	12.50
.49	.26	Cayzor	2000	.26	.28	.26	.28
.05½	.04	Cen. Man. ..	1000	▲.03	.04	.04	.04
1.40	1.01	Cen. Pat.	10480	1.06	1.10	1.05	1.05
.15	.09½	Cen. Pore	4642	.11	.10	.09½	.10
2.20	1.87	Chemalloy ..	30975	2.47	2.60	2.40	2.40
.05½	.03	Cheskirk	11000	.03½	.04	.03	.03
.09½	.05	Chesl	nil	..	B.04½	A.06	.05
.42	.26	Chesterville .	19900	.30	.32	.26	.26
.10	.08	Chib Cop	15500	.10½	.11	.08	.10
.55	.33	Chib Jac.	7900	.35	.36	.33	.35
.15	.10	Chib K'Rand	6600	.11	.11	.10½	.10½
.80	.54	Chib Min. ..	1500	.60	.60	.60	.60
.58	.50	Chimo	17300	.58	.60	.56	.57
.08	.04	Chipman	nil	..	B.04	A.05	.04
3.10	3.00	Chromium	2325	4.40	4.55	4.15	4.20
.08½	.06	Cleveland	500	.06½	.06	.06	.06
2.25	2.81	Cochenour ‖.12	5300	2.95	3.00	2.85	2.85
.19	.12	Coin Lake ..	18030	.13	.13	.12	†.12½
†.36	†.30	Coleman A ..	nil	..	B.33	..	†.30
.36	.32	Hor'n	150	†.30	†.30	†.30	†.30
.42	.22½	Comb Met. ..	3000	.27	.25	.23	.23
.09	.07	Cominga	nil	..	B.05	A.07	.07
.60	.44	Coniagas	6400	.45	.49	.47	.48
.56	.43	Coniaurum	12924	.46	.47	.46	.46
.26	.16	Conkey	500	.16	.17	.17	.17
.08	.04	Cons. B'Keno	13266	.05	.05	.04	.04
.10½	.06	Cons. Beta ..	11500	.07	.07½	.06½	.07
.08	.05	Cons. Bi-Ore	nil	..	B.05	A.08	.06
.12	.07	Cons. Callinan	4750	.07	.07	.07	.07
.06½	.03	Cons. C. Cad	nil	..	B.03	A.05	.03
		Cons. Dak'y					
3.85	3.45	.24	7600	3.50	3.65	3.45	3.50
.32	.21	Cons. Fenimore	5600	.23	.23	.21	.21
.07	.05	Cons.-Gillies	nil	..	B.05½	A.06	.05
.48	.26	Cons. Gold Arr.	2500	.35	.35	.34	.34
.72	.48	Cons. Hall'well	37525	.50	.54	.48	.51
3.25	2.31	Cons. H'y	2570	2.55	2.60	2.47	2.50
.75	.50	Cons. Mariner	5500	.26½	.27½	.26	.26
.65	.55	Cons. Marcus	1666	.63	.63	.61	.63
1.24	.81	Cons-Mogul ..	22040	.89	1.00	.86	.90
.08	.05	Cons. Monpas	nil	..	B.05½	A.10	.05½
.26	.15	Cons. Morrison	8000	.17	.17	.15	.17
1.73	.99	Cons. Mosher	26425	1.40	1.57	1.41	1.50
.22	.12	Cons. Negus ..	4500	.13	.14	.12½	.13
2.45	1.50	Cons. New Pac.	nil	..	..	..	1.50
.06	.04½	Cons. Nich ..	6266	.05	.05½	.04½	.05½
.54	.33	C. Northland	12761	.40	.44	.40	.40
.12	.09½	C. Pershcourt	nil	..	B.09	A.11	.11
.32	.23½	Cons Que. G.	nil	..	B.23½	A.33	.23½
.06½	.04½	Cons Que. Y.	500	.04½	.04½	.04½	.04½
.10	.06	Cons Red. Pop.	1565	.06	.06	.06	.06
.06½	.04½	Cons Regcourt	4300	.07	.07½	.06½	.06½
.08½	.04	Cons Sam'rm ..	500	.04½	.04	.04	.04
17.00	17.00	Cons Smelt .80	8257	17.50	18.00	17.50	18.00
.20	.17	Cons Stand. M.	nil	..	..	†.20	†.15
.47	.28	Cons Sud'ry	26450	.35	.36	.30	.30
.85	.80	Cons Vauze ..	1000	.85	.80	.80	.80
.47	.25	Cont Cons. M.	nil	..	..	A.25	†.24
.43	.32	Cont Potash ..	160	.33	†.30	†.30	†.30
4.30	3.15	Conwest ▪▪.06	6020	3.45	3.30	3.30	3.30
.34	.17	Copper Corp.	900	.19½	.19	.19	.19
.14	.07	Copper Man.	2000	.08½	.08½	.08½	.08½
1.80	1.10	Cop. Rand	6759	1.12	1.19	1.15	1.16
.40	.25	Coulee	77700	.37	.40	.34	.34
.10½	.06½	Cournor	500	.06½	.06½	.06½	.06½
.65	.35	Cowichan	11300	.45	.44	.35	.40
4.25	3.40	Craigmont	32400	4.00	4.25	3.95	4.00
.09	.06	Crestaurum ..	nil	..	B.08	A.12	.09
.13	.07	Croinor	10500	.08	.08	.06	.08
.12	.05	Crowpat	12350	.06	.08	.05	.08
.07½	.05	Cusco	5500	.06½	.06	.05½	.05½
		D, E, F					
.20	.11	Daering	6726	.12	.11½	.11	.11
.33	.21	D'Aragon	12800	.25	.24	.21	.22
.14	.10½	Decoursey B. .	3000	.11½	.11	.11	.11
.29	.19	Deer Horn	25500	.25	.25	.23½	.23½
.14½	.07½	D'Eldona	533	.09	.10	.10	.10
.55	.42	Delnite	2800	.44	.49	.43	.43
9.95	9.00	Denison	10055	9.75	9.85	9.00	9.00
.08	.08	Dickstone .C.	nil	..	B.07	..	.08
.09½	.05	Dolsan	nil	..	B.05½	A.06	.05½
21.00	18.50	Dome .70	5175	19.12½	19.00	18.50	18.75
.11	.06½	Donalda	15900	.06½	.07	.06½	.07
.22	.08	Duvan	12800	.11	.12	.10	.11
.08	.05	Duvex	3500	.05½	.06	.05½	.06
.07	.03	East Amph. ..	4000	.06	.06½	.06½	.06½
1.78	1.42	East. Mal. ...	5400	1.48	1.48	1.44	1.44
1.90	1.49	East Sull	10080	1.52	1.55	1.49	1.54
1.54	1.15	Elder	12200	1.21	1.22	1.16	1.19
.25	.15	Eldrich	2500	.16	.16	.15	.15
.09½	.06	El. Sol.	4000	.06	.08	.06	.08
.33	.19	Eureka	7056	.27	.26	.24½	.25
.16	.10	Fab. Met.	11000	.10½	.10½	.10	.10
33.87½	27.50	Falconbr'ge 1.20	9162	30.25	30.75	28.50	28.62½
.03	.03	Fano	5500	.03½	.03½	.03	.03
.92	.62	Fawdry	13450	.67	.75	.70	.71
.13	.07	Farw't M.	5020	.08½	.08½	.07	.08
.85	.40	Fatimo	22100	.44	.44	.40	.44
.09½	.00½	Flin Flon	nil	..	B.00½	A.01	.00½
.06	.03	Fontana '45 ..	2000	.03	.03	.03	.03
.50	.50	Forty-Four ..	nil	..	B.33	A.50	†.39
.09	.05	Francoeur ...	6500	.05	.03	.05	.05
.07	.03	Friday	nil	..	B.03½	..	.04
2.10	1.40	Frobisher	14010	1.63	1.65	1.56	1.56
87.00	81.50	Do. 4% Deb.	90	87.00	86.00	86.00	86.00
.10	.05½	Fundy Bay ..	3500	.05½	.05½	.05½	.05½
		G, H					
.07	.04½	Gaitwin	12000	.06	.06	b5½	.06
23.00	20.00	Gaspe Cop. ..	235	20.00	20.00	20.00	20.00
18.25	15.00	Geco	3575	16.75	17.00	16.37½	16.50
.14	.08	Genex	10000	.09	.09	.08	.08
1.10	.75	Geo-Scient ...	1200	.85	.80	.75	.75
.30	▲15½	Giant Mas. ..	19560	.24½	.25	.23	.25
		Giant Y'fe.					
12.37½	9.80	.40 ▪.05 ...	3515	10.50	10.37½	9.80	10.00
.37	.22	Glazier	2100	.23	.23	.22	.22
.08	.05	Glenn Lyf. ...	1524	.06	.05	.05	.05
.19	.15	Goldale	3500	.18½	.16½	.16	.16
.50	.30	Gold Age ..	10000	.33	.33	.30	.30
.09½	.00½	Gold Lake	nil	..	B.01	A.02	.00½
.40	.20½	Goldfields ...	11500	.22	.22	.21	.22
.30	.17½	Goldray	3333	.20	†.20	.18	.19
6.50	6.00	Granby	nil	..	B5.50	..	6.00
.17½	.10	Grandroy	5024	.11	.11	.11	.11
1.40	1.00	Granduc	10650	1.10	1.19	1.10	1.15
†.10	†.10	Grandview ..	nil	..	B.10	A.16	†.10
....	....	Great Falls ..	nil	..	B.00½	..	.01
.05	.02	Greyhawk ...	26937	.02½	.03	.02	.02½
.09	.05½	Gui-Por Ur. .	1500	.06	.07	.06	.06
.11	.05	Gulch	10200	.06	.06	.06	.06
.07½	.05	Gulf Lead	11500	.05½	.05½	.05	.05
10.87½	8.05	Gunnar G. 1.50	5785	8.60	8.65	8.40	8.50
1.00	.16	Do. Warr. ..	20706	.23	.24	.16	.16
.10	.05	Gwillim L. ..	11000	.05½	.05½	.05	.05
		H, I, J, K, L					
.07	.04	Haitian'	28500	.05	.05	.04	.04
2.50	1.61	Hallnor *.07 .	nil	..	..	A2.00	2.00
.18	.10	Hard Rock ..	2700	.12	.12	.11½	.11½
.12	.07	Harr Min. ..	8000	.08½	.09	.07½	.08
.20	.15	Hasaga	1000	.16	.15½	.15½	.15½
.15	.07	H'd of Lakes	12600	.07	.08	.07	.08
.36	.23	Headway	72800	.33	.36	.28	.29
.09	.04½	Heath	nil	..	B.04½	A.05	.05
1.80	1.46	High Bell *.15	4700	1.75	1.72	1.66	1.70
		Hollinger					
29.87½	23.12½	24 - *.06 ..	5055	23.12½	24.75	23.25	23.50
4.00	2.90	Hoyle	5685	2.90	3.25	2.90	3.00
$1.75	43.75	Hudson B. 3.00	10806	44.62½	45.25	43.75	43.75
.12	.09	Hugh Pam ..	1500	.10	.10	.10	.10
.42	.25	Hydra	4046	.30	.28	.25	.28
		I, J, K, L					
.50	.32	Inspiration ..	3630	.33	.33	.32	.32
.15	.09	Int. Ceramic	4500	.12	.10½	.09½	.09½
.06	.04	Int. Molyb'dm	15000	.07	.07	.06	.07
		Int. Nickel					
105.00	91.25	▪.75+1.40 .	2268	102.75	101.00	100.50	100.50
51.12½	50.25	Do. New ..	24946		51.12½	50.25	50.37½
1.75	1.00	Irish Cop. ...	53150	1.24	1.22	1.00	1.04
3.20	2.05	Iron Bay	77700	2.86	3.10	2.81	2.99
.52	.34	Iso M.	25500	.47	.48	.46	.46
.67	.24	Jack Waite .	34300	.35	.40	.32	.37½
1.40	1.05	Jacobus	18000	1.12	1.15	1.06	1.10
.24	.18	Jaye	2700	.20	.19	.18	.19
.94	.68	Jellicoe	9767	.70	.11	.10	†.10½
.06	.03	Joburke	4750	†.09½	.09	.09	.09
.29	.21½	Joliet Que. ..	4000	.23	.23	.21½	.21½
.17	.10½	Jonsmith	4000	.12	.11½	.11	.11½
.47	.27	R. J. Jowsey	9683	.31	.30	.27	.28
.09½	.05	Kenville	5000	.05	.05	.05	.05
22.62½	12.50	K. Ad'son .80	206280	14.75	14.75	12.50	13.62½
3.80	1.55	Kilembe	2700	2.25	2.27	2.08	2.08
1.40	.28	Do. Warr. C	20740	.34	.37	.30	.33
.42	.30	Kirk Min. ..	30350	.30	.37	.33	.36
.10	.06½	Kirk Town ..	nil	..	B.07	A.08½	.07½
.06½	.04½	Kontiki Lead	500	†.03	.04½	.04½	.04½
.01	.00½	Koot Base ..	nil	..	B.00¾	..	.00½
27.75	21.00	Labrador ‖.25	942	22.50	22.00	21.50	21.50
.90	.62	Lake Cinch ..	5800	.75	.79	.72	.75
.70	.60	L. Dufault ..	4700	.62	.63	.63	.60
1.10	.66	L. Lingman ..	nil	..	B.66	A.07	.66
.20	.15	Lake Osu.	2000	.18	.16	.16½	.16
4.50	4.00	Lake Shore ..	3630	4.15	4.15	4.15	4.15
.33	.30	Lake Wasa ..	4500	.31	.33	.31	.31
4.20	3.25	La Luz	300	3.50	3.75	3.75	3.75
4.75	2.95	Lamaque .20 ..	2000	3.30	3.30	3.20	3.20
1.00	.64	Langis Sil. ..	3800	.75	.74	.70	.74
.38	.24	Latin Am. ..	293450	.38	.38	.30	.37
1.64	1.32	Leitch Gold .06	39800	1.53	1.63	1.31	1.51
.09	.06	Lencourt	2000	.06	.06	.06	.06
.04	.02	Lexindin	5500	.03	.03	.02	.02
.06	.03½	Lingside	nil	..	B.03½	A.05	.03½
.20	.08	Lithium	300	.15	†.07	†.05	†.07
2.61	2.61	.10 ▪.10 ...	33020	2.92	2.94	2.61	2.73
.98	.53	Magnet	2000	.06½	.06½	.06½	.06½
.04	.02	Majortrans ..	8000	.02½	.02½	.02	.02½
1.05	.76	Malartic	16700	.81	.79	.76	.77
.09	.04	Maneast Ur. .	11500	.04½	.04	.04	.04
.99	.55	Manitou-B. ..	1510	.57	.60	.60	.60
.17	.10	Maralgo	101875	†.11	.13	.11	.13
.07½	.03½	Marlon	4500	.08½	.09½	.08½	.08½
1.33	.81	Maritimes	24850	.90	.91	.85	.86
.38	.30	Martin McN.	20700	.32	.34	.31	.32
.12	.08	Massval	1250	.14	.13½	.13½	.13½
.10	.07	Matachewan ..	3500	.07½	.07½	.07½	.07½
6.10	5.50	Mattagami ..	850	5.75	5.60	5.50	5.55
.13	.08	Maybrun	nil	..	B.08	A.09	.08½
30.50	24.00	McIntyre 1.00	3240	24.75	25.00	24.50	24.62½
3.80	2.90	McK. R.L.	2765	.20	.20	.19	.19
.08	.05	McMarmac ..	6000	.06	.06	.06	.06
.48	.33	McWatters ▪.	28300	.44	.44	.40	.40
.20	.15	Mentor Exp.	16700	.18	.19	.18	.19
1.15	.71	Merrul Is. ..	15500	.72	.74	.71	.71
1.13	.07½	Mefa Ur.	18100	.08	.08	.07½	.07½
.32	.15	Mid-Chib	3500	.22	.25	.22	.25
.85	.50	Midrim	3233	.65	.60	.58	.58
.09	.04	Midwest	nil	..	B.08	A.11	.09
1.09	.70	Milliken Lk. .	15661	.90	.92	.88	.88
.06	.04½	Mindamar ..	1200	.06	.06	.06	.06
		Mining Corp.					
12.62½	10.87½	.25	2338	11.12½	11.50	11.00	11.50
.09½	.05	Min. Ore.	2000	.05½	.05½	.05½	.05½
.12	.08	Mogador	8000	.08	.10	.10	.10
1.12	.69	Moly'B'Nite ..	6400	....	B.67	A.70	.69
.80	.66	Monpre	8710	.70	.70	.68	.68
.25	.15	Monpre	200	.15	†.12	†.12	†.12
.61	.50	Mt. Wright I.	42162	.50	.53	.50	.50
.59	.31	Multi Min. ..	4100	.35	.36	.31	.32
.57	.35	Murray M. ..	141500	.46	.45	.46	.50
		N					
.20½	.09½	Nama Cr.	13400	.10	.11	.09½	.11
.10	.04	Nat. Ex.	4500	.06	.05	.05	.05
.09	.05	Nealon	6000	.05	.05½	.05	.05
.15	.09½	Nello Min. ..	4350	.09½	.15	.10½	.15
.07½	.04	Nesbitt L. ..	2200	.09	.09	.09	.09
.09	.04	N. Ainsworth	3500	.04	.05	.04	.05
.07½	.04	N. Alger	8000	.05	.05	.04	.04
.35	.25½	N. Athona ..	7410	.28	.28	.27	.27
.19	.09½	New Bid'le ..	13850	.09	.09½	.08½	.08½
4.43	.26	Calumet ‖.02	10160	.28	.40	.38	.39
.07	.07	N. Cronin	nil	..	B.05¼	..	.07
.16½	.09½	N. Delhi	2000	.12	.12	.11½	.12
		N. Dick'n					
3.10	2.20	10 ▪.03 ..	7650	2.82	2.85	2.75	2.80
		N. Far North	nil	..	..	A.20	.74
.19	.06½	N. Formaque	35033	.07	.07½	.06½	.07
.09	.04½	N. G'ovue ..	5500	.04½	.04½	.04½	.04½
.10	.03½	N. Hamil	3000	.05	.05	.05	.05
.19	.09	N. Har'na	6000	.10	.09½	.09	.09
.63	.56	N. Hosco	26245	.68	.69	.63	.63
.07½	.06	N. Imperial ..	nil	..	B.04	A.07½	.06½
.14	.04½	N. Indian	4000	.09½	.08½	.07	.08
.06	.04	N. Jack Lake	nil	..	B.06	A.65	.04
.09	.05½	N. Jason	9785	.06	.06	.05½	.06
.18	.08	N. Keloka	5500	.10	.09	.09	.09
.25	.14½	Newlund	13300	.17	.16	.14½	.14½
.17	.10	N. Man	20500	.35	.36	.33	.34
1.27	.51	N. M'L Que .	95425	.54	.60	.53	.54
.07	.04½	Newnorth	nil	..	B.04½	A.06	.04½
.06	.05	N. Nuyton	5000	.06½	.07	.05½	.05½
.06	.03	N. Sahtago ..	48000	.03½	.03½	.03	.03
.06	.04	N. Senator ..	11000	.04½	.04	.04	.04
.18	.14	N. Taku	500	.15	.15	.15	.15
.90	.20	N.W. Amulet .	4000	.25	.24½	.20	.20
.72	.35	Nickel M. & S	8610	.35½	.36	.35	.36
.75	.50	Nickel Rim ..	nil	..	B.45½	A.55	.50
.98	.84	Nipissing	4900	.88	.88	.84	.86
.07	.05	Nisto	2000	.05½	.05½	.05½	.05½
.09½	.05	Nocario	6000	.07	.08	.07	.08
.20	.11	Nor. Acme	5000	.12½	.11	.11	.11
48.75	38.00	Noranda 2.00	11496	39.50	39.50	38.00	38.25
1.17	.38	Norbeau	13513	.43	.42	.38	.40
.08½	.04	Norgold	7000	.04	.04	.04	.04
.24½	.20	Noriartic	56500	.20	.27	.20	.21
3.70	2.90	Normetal *.10	5518	3.15	3.20	3.00	3.00
.13	.08½	Norpax	2500	.09	.09	.08½	.08½
.12	.05	Norsyn'e	4500	.05	.07	.06	.07
.08	.06	N.A. Asb.	nil	..	B.06	A.08	.

ANNOUNCEMENT

RIO TINTO DIRECTOR

HENRY BORDEN, C.M.G., Q.C.

Who was elected a director of The Rio Tinto Mining Company of Canada Limited at the annual meeting of shareholders last week. Mr. Borden is president of Brazilian Traction, Light & Power Company Limited and a director of a number of important companies.

CANADIAN HEAD

Rear Admiral B. R. Spencer, Chief of Naval Technical Services, will be first vice-president of newly-formed Canadian division of the Institute of Marine Engineers. The professional association, which originated in U. K. in 1889, now has over 350 Canadian members out of world-wide membership of 13,000.

Denison Mines Profits Up 44%

A 44% jump in net profit reflecting lower operating costs and higher production is reported by **Denison Mines** for the first quarter of 1960.

(The company formerly was Consolidated Denison Mines and became Denison Mines on March 24 when a merger with Can-Met Explorations was confirmed. The first quarter report covers operation of the Denison mine.)

Operating costs were cut 4% and production rose 10.9%, President Stephen B. Roman notes in a report to shareholders.

Net profit at $4,977,000 ($1.11 a share) is ahead from $3,385,000 (76c) in the first quarter of 1959.

Working capital of the amalgamated company was $15,281,000 at March 31. Reductions in long-term debt totaled $3,722,500 during the quarter.

Following amalgamation, long-term debt as of March 31 comprised $13,916,500 5% first mortgage sinking fund bonds, series B; $12 million 4½% second mortgage sinking fund bonds, series B; and $2,610,000 non-interest bearing general mortgage bonds.

"The only remaining obligation during the balance of this year is $2,906,500, representing payments to be made against the sinking fund of 5% series B bonds," he says.

Denison's exploration division is acquiring or investigating properties in all parts of Canada, Europe, Africa and South America as part of a diversification program.

Emphasis, reports Mr. Roman, centres on metallic mineral deposits currently but non-metallic and gas and oil prospects are being carefully studied.

Here are the figures reported.

	First Quarter 1960 $	1959 $
Production	12,750,000	11,497,000
Operating costs (incl. write-offs)	7,773,000	8,112,000
Net profit	4,977,000	3,385,000
Net per share	$1.11	76c

Sales Limited, Gunnar Net Drops 21%

Restricted sales of uranium concentrates because of quota restrictions placed by **Eldorado Mining & Refining** resulted in a 21% drop in net profit of **Gunnar Mines** in 1959 to $8,951,234 from $11,310,830 in 1958.

The annual report shows net equal to $2.56 a share, off from $3.25.

Sales revenue was down at $20,974,251 from $23,809,839.

Balance sheet shows concentrate inventory valued at cost of $1,644,115, compared with only $132,620 at the end of 1958.

Working capital is up $4,902,320 at $18,545,406. Gunnar was debt free at the end of 1959 with the remaining $3,289,000 of outstanding debentures carried as a current liability to be redeemed by Oct. 1.

Mining and ore treatment plants operated at capacity throughout the year, President Gilbert A. LaBine states.

Rising Profits Picture In Rio's Uranium Group

Operation Shakedown in the Rio Tinto Group is resulting in some bright results.

This week, Robert H. Winters, president, at the annual meeting of parent **Rio Tinto Mining Co. of Canada** outlined progress which was quickly supplemented by quarterly earnings statements.

Highlights:

- **Profit pictures** are improved at the uranium producers, Algom, Milliken, Northspan and Pronto. These are the companies merging into the new **Rio Algom Mines.**
- **Liquid assets of Rix-Athabasca Uranium Mines** total $1 million.
- **Rio Tinto Dow,** the thorium producer, is operating profitably and has turned out its first Scandium — a new rare earth product.

Here are some of Mr. Winter's comments.

▸ **Algom:** A sharp reduction in costs and improvement in earnings as reflected by a rise in net in the first quarter to $4,756,000 from $2,710,000 for the same period last year. Working capital at the end of March stood at $23,834,000.

▸ **Milliken:** General improvement in all phases of the operation gave a net profit of $1,019,000, up sharply from $62,000 in the first quarter of 1959. Repayment of a $10 million bank loan is being completed, leaving outstanding $16 million 6% first mortgage bonds.

▸ **Northspan:** Lower costs turn this property into a profitable operation with net of $725,000 in the first quarter comparing with a deficit of $1,441,000 a year ago.

Bank loans were reduced to $3.6 million U. S. and $3,817,000 Canadian with the balance expected to be retired before June 30 with the help of funds supplied by amalgamating companies.

The amalgamating companies hold in current assets over $10 million of Northspan's series A general mortgage bonds of an initial issue of $45 million.

▸ **Pronto:** Mining of high-grade ore at Pronto (which has now ceased mining uranium) resulted in a net profit of $1,194,000 in the first quarter, up from $685,000 a year earlier. Working capital was $4,135,000 after allowing for payment of a 60c dividend on April 20. Funded debt of $630,000 will be repaid May 27.

▸ **Rix-Athabasca:** This small Beaverlodge property has been selling ore to the Lorado mill and with sale of the Lorado contract was repaid $148,000 from a pool fund to support Lorado bonds. Studies are underway to diversify into other activities using the $1 million of liquid assets.

Here are Rix first quarter figures for 1960 and 1959 periods.

	First Quarter 1960	1959
Tons sold	8,891	16,454
Gross revenue	$177,000	$353,000
Mine costs	170,000	277,000
Exploration		22,000
Admin., royalty	14,000	23,000
Write-offs	69,000	92,000
Lorado fund recovery	148,000	
Net profit (loss)	$72,000	($61,000)

▸ **Preston East Dome Mines:** Acquisition of neighboring Midcamp claims will provide larger and more easily mined orebodies. The hydraulic backfill plant is helping cut cost of fill.

Here are comparative figures for the Porcupine area gold producer.

	First Quarter 1960	1959
Tons milled	57,180	59,570
Gross revenue	$589,000	$597,000
Mine costs	$10,000	$19,000
Admin. exploration, taxes	27,000	23,000
Write-offs	10,000	6,000
Net profit	$42,000	$49,000

▸ **Devon-Palmer Oils:** Operations are being consolidated since Rio Tinto assumed management control. A $9 million plant to extract sulphur from Okotoks gas field built in partnership wtih **Texas Gulf Sulphur** has reached rated capacity of 350 tons sulphur daily.

▸ **Rio Tinto Dow:** This plant is a partnership with **Dow Chemical Co. of Canada.** It is operating at capacity and selling thorium product in Canada, U. S. and U. K. The plant is operating profitably. Research continues on production of rare earth elements with Scandium recently extracted and sold.

Some of Winter's general comments and detailed review included:

- **Effect of the Rio Algom amalgamation:** Over the stretched-out period, earnings will be more than the total that would otherwise have been available if the operating companies had continued operating independently.
- **On uranium supply-demand:** Highly-competitive conditions are expected for most of decade. Although the stretchout of Canadian deliveries will have some effect on world oversupply, it does not appear likely that there will be any shortage throughout the 1960's and supply and demand may not balance until the early 1970's.

Here is a summary of Rio Algom operations. Revenue includes total value of production at selling price.

(Figures in Thousands)

	First Quarter 1960 Algom	Milliken	Northspan	Pronto	Total	1959 Total
Gross revenue	$14,411	$ 5,808	$14,293	$ 3,601	$38,113	$34,845
Mine costs	4,646	2,136	6,253	1,383	14,418	18,064
Interest, administration, mining and income taxes	815	608	1,690	325	3,438	3,252
Write-offs	4,194	2,045	5,625	699	12,563	11,513
Net profit	9,655	4,789	13,568	2,407	30,419	32,829
	$ 4,756	$ 1,019	$ 725	$ 1,194	$ 7,694	$ 2,016
Tons milled	1,550	270	661	141	1,622	1,629
Funded debt, bank and other loans:						
U. S. funds at par	nil	nil	$48,600	nil	$48,600	$58,250
Canadian funds	nil	$20,826	$24,455	$ 630	$45,911	$72,948

Granby Loss In Quarter

First quarter loss of **Granby Mining Co.** totaled $51,446 compared with $19,401 in the same quarter a year ago.

But results are not comparable as operations at the Phoenix copper mine did not start until mid-April last year.

Severe weather conditions at the property prevented operations from reaching current rate of 1,000 tons per day until mid-March.

In the final quarter of 1959, Granby had an estimated net profit of $13,637.

Here are the first quarter results:

	First Quarter 1959 $	1960 $
Gross income	361,909	34,593
Production expense	266,333	
Admin. and other	61,535	*44,815
Depreciation	85,487	
Exploration		9,179
Net loss	51,446	19,401

*Includes shutdown expense

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The CANADIAN ANALYST
351 Seneca St., Burlington, Ontario

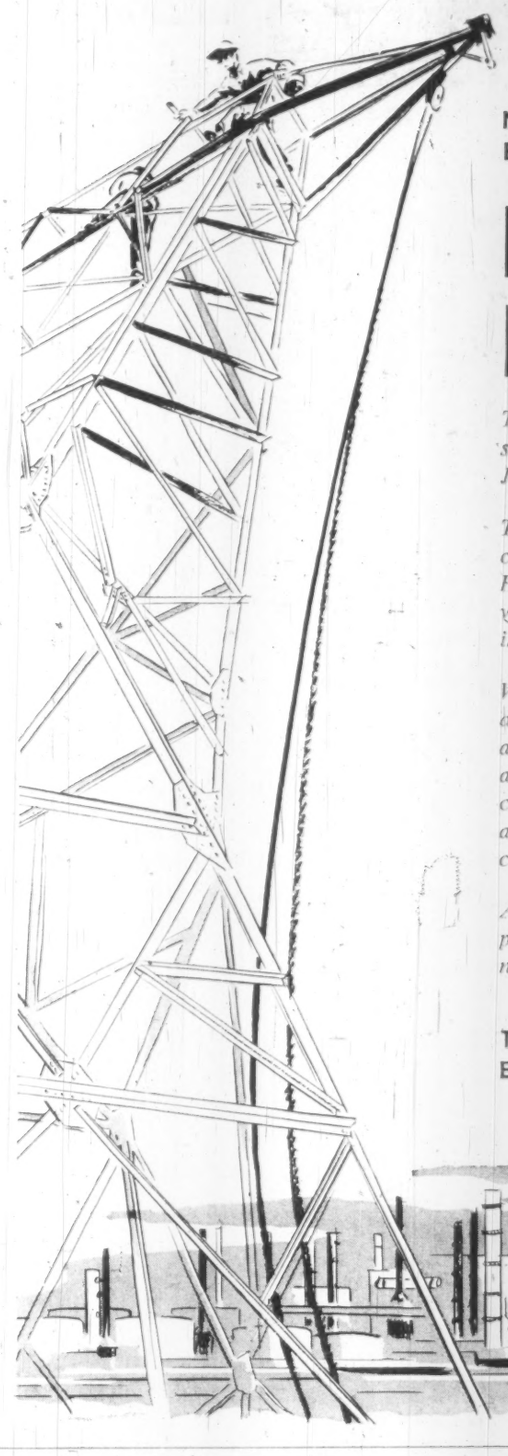
TO REMAIN ON THE SIDELINES OR TO COMMENCE ACCUMULATING . . .

HAVE YOU DECIDED YET?

Among advisory services the Forecaster has been on the conservative side *over the past three months — first* by cautioning a world-wide clientele of active traders, investors and speculators that a short-term bear market was approaching which could "fill back all but across the board to levels near last September's 12-month lows," *second* by refusing to predict a general wave of firm recovery after our anticipated downswing had materialized and *third* by warning clients to beware of the apparent signs of strength early in April — signs that thereupon proved to be all too deceptive as Toronto Industrials quickly lost more than 15 full points within ten trading days, Dow Jones nearly 20. As one older client wrote in to say: "*. . . you have been therefore instrumental in preventing me from losing money, which in any sensible man's language is as good as making money.*"

NOT QUITE SO GOOD, HOWEVER, which is why we're pleased to add that clients also have seen a number of Forecaster selections buck the trend this year for capital gains anywhere from 30% to more than 100% above our originally recommended accumulation levels — mining stocks, gas-oil situations and blue chip industrials alike. Moreover, the time is rapidly approaching when we'll be able to run down our short-term warning flag, clients in fact having already been advised when to expect *a first rally by Toronto Industrials to points near 530.* We think you'll be interested in the details of this forecast (just as you would have found the details of our short-term bear prediction equally useful), and we also believe that you'd rather be accumulating our recommended selections now — *rather than at a later date when Toronto Industrials are some 45 points heavier.*

OR TO PUT it another way, if you'd prefer to pay $2,000 for a bloc of XYZ Company rather than $2,400, *now* is an excellent time to investigate some of the many bargains on view. For more on this you'll find helpful comment in the next eight issues of THE CANADIAN FORECASTER, our weekly commentary on Canadian stocks and the market. **238 Adelaide Street West, Toronto, is the address; a 60-day trial subscription is $5 ($5.50 airmail); annual fee is $45, and personal attention as usual is available at any time without additional charge.**



NEW BRUNSWICK . . .

POWERED FOR PROGRESS

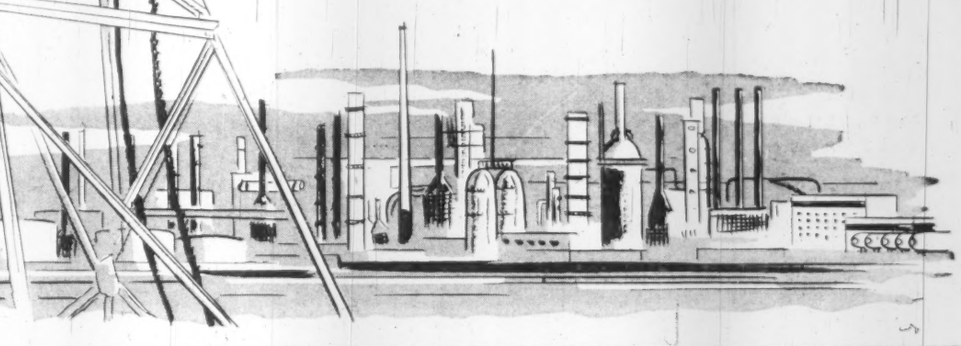
The first unit of a new 250,000 H.P. steam plant will begin producing power in July 1961.

The new plant, now under construction, closely follows the completion of the 90,000 H.P. Beechwood Hydro Development. This will mean added power for New Brunswick's industrial growth.

Whether the need is for expansion or decentralization, New Brunswick has many advantages to offer: dependable labour . . . attractive building sites . . . governmental co-operation . . . year-round ocean shipping and room to grow in medium sized cities and towns.

All this plus an abundance of low cost power presents an inviting combination for new industry.

THE NEW BRUNSWICK ELECTRIC POWER COMMISSION



"Then I said, *'Change the differential'...* whatever that means"

As well as her many other duties, Mother is very often given the job of taking the family car in for regular check-ups.

But it doesn't really matter that she's not quite sure what has to be done, because she's entrusting the job to her neighbourhood Mr. B-A.

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Taking Stock

What's going on in the mining and oil markets — the facts and rumors.

By ALEX WILSON

Speculation over price fluctuations in sensitive copper markets has failed to stir much interest in copper stocks. They have shown some recent strength but are still hovering near the year's lows.

Behind the current excitement over possible price rises is a severe shortage of copper in Europe. Since early in the year European fabricators have been having a hard time rounding up supplies to keep mills going. And during this period world production was at full tilt, unhampered by strikes.

But this week the first large scale strike of the year hit the Chilean operations of Anaconda. Output of the mine, 10,000 tons per month, goes to Europe. Current speculation about the strike centres on the probable duration. There is talk that the Chilean government may intervene.

Reaction to the strike: On the London Metal Exchange, spot copper soared to a three-year high, equivalent to 36.12c (U. S.) per lb. Other current prices—U. S. 33c, Canadian 31c.

	Latest	End February	1960 High	1960 Low
	$	$	$	$
Campbell Chibougamau	4.95	5.15	6.90	4.30
Copper Rand	1.17	1.44	1.80	1.10
Geco	16½	16⅜	18¼	15
Maritimes	.88	1.01	1.33	.81
Noranda	38	40¼	48¾	37½
Quemont	9.60	10	11⅜	9

* * *

Elsewhere in coppers, **Opemiska** is highlight as it flips to $6.35 from recent $5.70. Run was sparked by rumors of first quarter earnings with the guesses ranging as high as $1 million. In full 1959, net was $1,368,131 or 25c a share. By mid-week the stock was back to $6.25.

New Hosco also features among copper stocks as it scurries ahead 10c to 73c at mid-week as rumors circulate on upcoming financing. President W. J. Hosking recently said financing was not likely before early summer.

But development news did come from gold-producer **Madsen Red Lake** this week. At the annual meeting, shareholders were told of 250 ft. of ore averaging 0.358 oz. gold per ton over width of 22 ft. on the 18th level. Other drilling on the 18th level has picked up what appears to be the top of a new zone. Stock surges to $2.90 from recent $2.61 before settling back to $2.80.

* * *

After recent approval by shareholders of two-for-one split of the common, **International Nickel** strengthens at mid-week, adding 75c to $50⅞. Directors have also established a new quarterly dividend rate of 37½c a share or $1.50 a year, equivalent to the $3 rate on the old shares.

Still holding out against the trend to interim earnings reports for shareholders, **Consolidated Mining & Smelting** reported that first quarter earnings were "considerably improved" over last year. Projections for the full year point to a level of earnings higher than last year's $1.02 a share, shareholders were told at the annual meeting. The estimates had little effect on the market as shares moved narrowly between $17½ and $18, holding at $17¾ at mid-week.

Consolidated Vauze hasn't moved much, up or down, following mid-April listing on CSE. Range to early May has been high of 85c and low of 80c. Annual report, while omitting details of the exploration results on the Noranda area property, stated that current program of shaft sinking should be completed by the end of August this year.

* * *

ON THE OIL & GAS FRONT—Stocks sag to a new five-year low as measured by the TSE index of Western Oils. They are down 17% from the levels reached in the flurry prior to the announcement on gas exports.

Rumors and reorganizations feature oil news. **Ajax Petroleums** holds at 68c as company plans a reorganization on one-for-five basis and change in name to **Canadian Industrial Gas**. Report points to savings in brokerage expense. Taking a price of 75c a share on the old stock, brokerage on 1,000 shares would be $15, equivalent charges for new stock, $10. However, at 74c a share (down to 60c), brokerage would be the same ($10) for both old and new. It would also be equal with old stock at 80c (up to 99c) a share.

There is some talk of a deal by **Ponder Oils** for a western publishing company. Ponder had working capital of $795,885 in cash, securities, and notes receivable at Aug. 31, 1959, and held no interests in oil lands. These were sold in 1955, and since then company has found nothing in which to commit its funds permanently. At 48c, stock is ahead from recent 30c.

Highlights in Noranda: Peak Output, Profits Up

A lot of good earnings news sprinkled with the odd trouble-spot and a promise of potentially-important developments to come this year. That's the picture presented by the annual meetings of the **Noranda Mines-Mining Corp.** companies.

Some highlights:

• **Net profits** in the first quarter up at 66c a share from 57c in the same period last year, John R. Bradfield, Noranda president, reported.

• **Depletion** allowance on Noranda dividends is expected to be restored at the maximum 20% rate in 1960. Last year, rate was cut to 15% when Noranda's mineral income was less than the required 75% of taxable income.

• **March** output of copper at both the Noranda and Gaspé smelters reached record levels, R. V. Porritt, Noranda vice-president and general manager, reported.

• **Decision** on bringing **Craigmont Mines** copper deposits into production will be taken shortly, and "future plans should be defined later this year" for the **Mattagami Lake Mines** zinc property, Mr. Porritt said.

• **First quarter earnings at Gaspé Copper Mines** were reported at $961,000, well up from $357,000 with total debt at $24.5 million.

• **Geco Mines** should repay its remaining debt by mid-year. Norman C. Urquhart, **Mining Corp. of Canada** president, reported a balance of Geco loans of $960,000 of which $260,937 was Mining Corp.'s.

• **Quemont Mining Corp.** profits increased 19% in the first quarter and **Normetal Mining Corp.** net dipped 9%.

Commenting on the impact of the dollar premium on the Canadian economy, he noted that a change of 1% means $500,000 a year after taxes to Noranda.

Detailed drilling of the Craigmont orebody is almost finished and shows some 13,375,000 tons averaging 1.8% copper with extensions indicated below the lower level. Noranda has 25% of the financing option and would end up with about 20%.

He also revealed that Noranda holds 35% of the outstanding Orchan Mines shares.

Quemont averaged 2,345 tons daily running .156 oz. gold, .88 oz. silver, 1.37% copper and 2.19% zinc in the first quarter. Company received $314,097 against advances to Geco leaving balance of $96,645.

	First Quarter 1960	First Quarter 1959
	Tons	Tons
Tons milled	213,358	209,989
	$	$
Operating profit	669,800	596,700
Depreciation	110,700	126,900
Est. net profit	559,100	469,800
Earnings per share	26.6	22c

Normetal treated 1,048 tons daily averaging 3.15% copper and 4.02% zinc. Company received $293,157 against Geco advances leaving $90,202 balance.

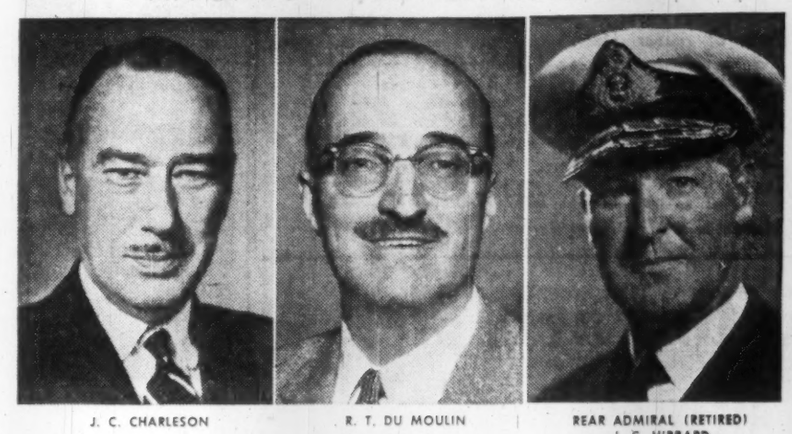
In drilling 800 ft. below the lowest developed level, three holes indicated the downward extension of the ore zone but as yet have been below ore grade, President J. A. H. Paterson reports.

"It will take until the end of the year to complete drifting and diamond drilling on this level, and this work will be required before the picture is known," he said. "The results so far obtained from three holes cannot be taken as conclusive."

	First Quarter 1960	First Quarter 1959
	Tons	Tons
Tons milled	95,390	93,989
	$	$
Operating profit	430,100	446,800
Depreciation	47,400	25,800
Est. net profit	382,700	421,000

ANNOUNCEMENT

AERO SURVEYS LIMITED APPOINTS THREE NEW DIRECTORS



J. C. CHARLESON | R. T. DU MOULIN | REAR ADMIRAL (RETIRED) J. C. HIBBARD

In line with the expansion of Aero Surveys Limited to meet the challenge of increased business activity throughout Canada and the Arctic, Mr. E. D. H. Wilkinson, Chairman of the Board, has announced the appointment of three new directors.

Mr. J. C. Charleson, of Ottawa, is a director of Canadian Helicopters Limited and is actively engaged in Canada's progressive aviation industry.

Mr. R. T. Du Moulin, of Vancouver, is well-known in Canadian legal circles.

Rear Admiral (Retired) James C. Hibbard, of Victoria, is a director of Fairey Aviation Company of Canada Limited.

Aero Surveys Limited has been in business since the close of World War II and is engaged in aerial photography, topographical mapping and geophysical airborne exploration.

Stand. Structural Profit Gains 52%

MONTREAL (Staff) — Net profit of **Standard Structural Steel Ltd.** for the three months ended March 31, 1960, was $40,787, up 51.9% from $26,856 in corresponding 1959.

President J. Pickard says that order backlog at April 30 was also higher than a year earlier. Dollar value of the backlog was not disclosed.

Dividend Rise For Leitch?

Recent high-grade ore developments at **Leitch Gold Mines** sparked questions about dividends at the annual meeting.

Shareholders were told that "based on first quarter earnings, there is no doubt that earnings this year will be much better than last year." (In 1959, Leitch earned $264,069 or 9c a share. It paid dividends of 6c a share.)

But dividend policy for this year still has to be considered, president K. J. Springer stated. He pointed out that to date dividends have represented 20% of total production or an average payout of 81% of net profits.

Mine development in the first quarter was highlighted by opening on the 28th level of 420 ft. of ore averaging 3.5 oz. per ton over 21 in. width. While grade appears to be falling, there is believed to be about 150 ft. of ore still to be opened.

On the 30th level, 300 ft. lower, development headings are expected to reach the No. 2 vein by the year end. Results of ore development on this level are not expected until early next year.

New Ore Chance For Bralorne

Work from the old Pioneer mine of **Bralorne Pioneer Mines** has turned up a new gold bearing structure. The Pioneer mine, now on its last legs, was kept open to permit continuation of the drilling program from the 29 level.

Further drilling is under way from the Pioneer, but it is expected that any underground development would be done from the Bralorne workings, allowing the Pioneer mine to be closed.

Early drilling results on the new No. 32 vein have given an average grade of 0.74 oz. per ton over 2 ft.

ALLIS-CHALMERS

Canadian Allis-Chalmers now will operate as a separate division of Allis-Chalmers Manufacturing Co., Milwaukee. H. M. Schudt will continue as president and general manager of the Canadian company, which formerly was part of parent company's industrial equipment division. Company has plants in St. Thomas, Ont., and Lachine, Que.

ANNOUNCEMENT

BROULAN REEF DIRECTOR

H. F. BROWNBILL

Recently appointed a Director of Broulan Reef Mines, Limited. Mr. Brownbill is Consulting Engineer and Vice-President of South American Gold & Platinum Company and Director of Frontino Gold Mines Ltd., in Colombia.

A. H. HUNT (CAPACITORS) VERY ENCOURAGING ORDER BOOK

The Thirteenth Annual General Meeting of A. H. Hunt (Capacitors) Ltd. was held on April 20 in London, Mr. Sydney H. Brewell, M.B.E., chairman and managing director, presiding.

The following is an extract from his circulated statement for the year ended December 31, 1959:—

All sections of our organisation have been under considerable pressure for many months and in spite of the various expansion schemes already in hand and referred to in my previous reports, your Directors have considered it essential to embark on a further major programme to build and equip a completely new factory similar to the one at New Addington which was commenced in 1954.

A very convenient freehold site has been acquired on the Brampton Road Trading Estate, Hampden Park, Eastbourne and building is to commence at once on quite a large section of the proposed factory.

The new buildings at Wrexham are now completed and occupied, giving greater facilities for administration, laboratory and canteen purposes, at the same time releasing additional space which was so seriously needed for production.

Progress at the New Addington works has steadily continued in line with the development of the various products they manufacture and it is anticipated that the last of the buildings to be erected there will be completed before the end of 1961.

Along with our building programme, steps have been taken to increase our research and development facilities; also further mechanisation, together with modernisation of certain of our specialised plant, is in hand which, we hope, will greatly improve the prospects of giving better service to our many customers in all parts of the world.

CAPITAL DEVELOPMENT PROGRAMME

This development programme, of which the main parts are the new Eastbourne factory, the final extension at New Addington and the plant for these as well as for modernisation of existing machinery, is estimated to cost about £500,000 spread over three years, although a considerable amount of this expenditure will fall in the first year.

Your Directors therefore propose to raise about £250,000 now by a 'rights' issue of new ordinary shares to shareholders, leaving the balance of capital expenditure to be financed out of the Company's own resources.

Your Directors are satisfied that subject to unforeseen circumstances it will be possible to maintain the current rate of dividends, totalling 20%, on the capital as increased by the proposed issue.

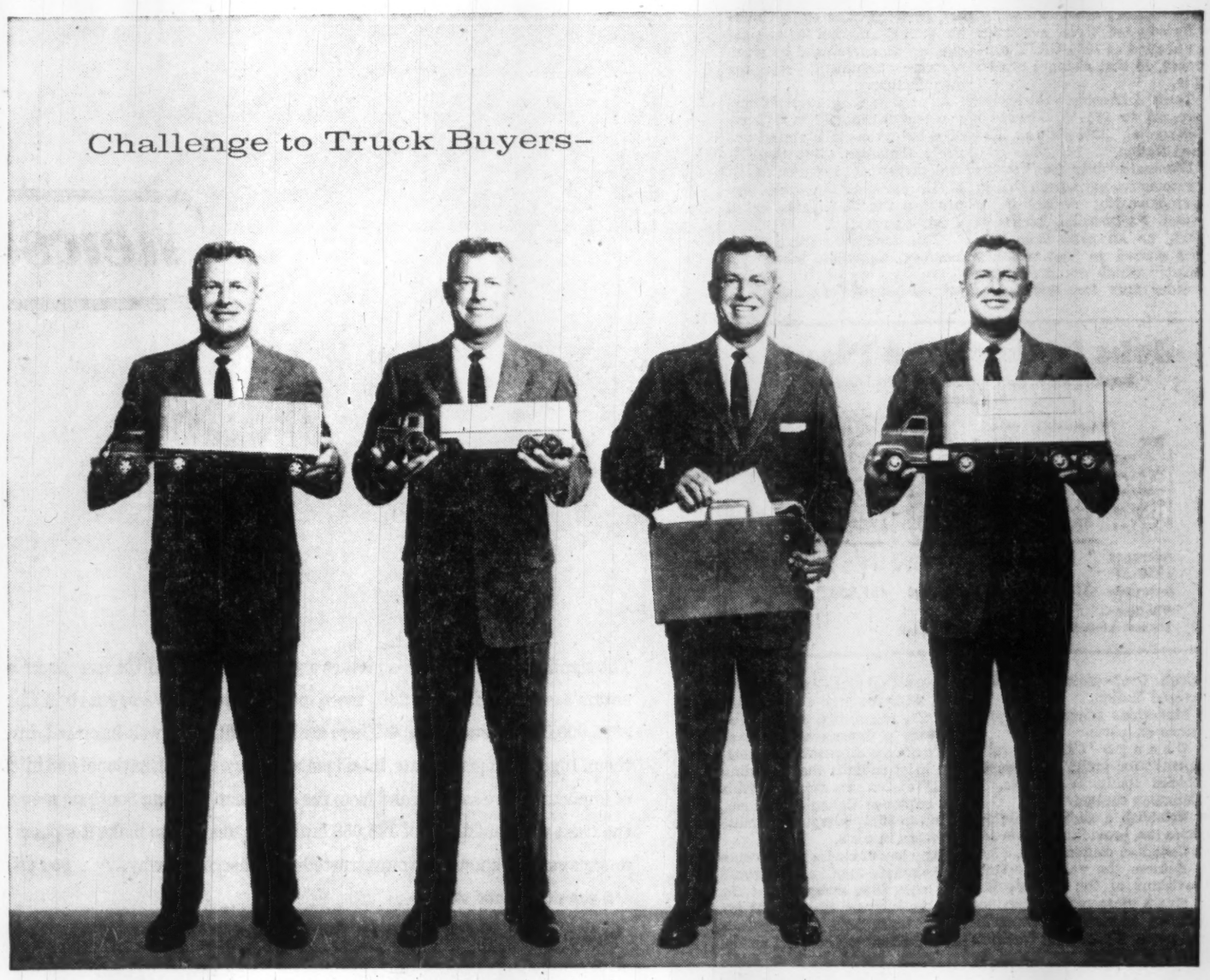
We achieved a group trading profit amounting to £491,880 and the net profit after providing for all other charges was £383,173. After deducting taxation amounting to £167,230 there is a balance of £215,943, to which must be added the balance brought forward from the previous year of £52,749 making a total of £268,692.

The sum of £8,400 has been transferred to Capital Reserve in respect of Inland Revenue Investment Allowances and a further £3,000 has been transferred to the Tax Equalisation Reserve. Your Directors recommend a final dividend of 15%, less tax, which with the Interim Dividend of 5%, less tax, paid in October 1959, absorbs £52,552.

The total distribution of 20% for 1959 compares with the total of 15% for 1958.

We commenced the year with a very encouraging order book and the pressure I referred to earlier in my statement is being maintained in all departments.

The report was adopted.



Pick the salesman who'll do the most for your business

A salesman has to do more than promise . . .

Take a WHITE man. He may look like any other truck salesman. But there the similarity ends. The WHITE man doesn't come in with an "off-the-shelf" truck. And he starts with two distinct advantages that benefit you.

First, he's thoroughly schooled—not only in his business but in the best hauling practices in *yours*.

Second, he has the WHITE concept of custom-engineering to help him design the truck that will do *your* job best.

In fact, *your* company name goes with *your* truck every inch of the production line—from the first laying of the chassis rails to the last coat of paint.

It's *your* built-to-order WHITE, not just an adaptation of a truck built for just anyone.

This is one of the big reasons why WHITE trucks give you a *competitive edge* in your business.

THE WHITE MOTOR COMPANY OF CANADA LIMITED
TORONTO 18, ONTARIO

Factory Branches and Distributors throughout Canada

WORLD LEADER IN HEAVY DUTY TRUCKS
WHITE

59-20

Imports of Auto Parts

(Tires and Tubes omitted)

	1958	1959
Parts of rubber (excl. tires, tubes)	$1,914,993	$1,977,327
Engines and parts	21,334,495	27,872,971
Parts of motor bus bodies	5,684,630	6,928,070
Axles, brakes, clutches	17,891,096	29,445,031
Automotive parts nop	216,949,877	252,222,457
Ball and roller bearings	3,458,052	4,101,691
*Total	$267,233,083	$322,547,547

*Estimated that 60% by value enter "duty free".

Auto Parts Men Asking Crackdown On the Imports

Manufacturers of automobiles and automotive parts have reached a crisis point, when they must seriously consider whether it is worth while to produce in Canada — or to recognize Canada as one of the most lucrative import markets in the world and bring into this country products made elsewhere.

This statement is contained in a brief submitted this week to the Canadian government by the Automotive Parts Manufacturers' Association (Canada).

The industry recommends:

- **Automotive** tariff schedules be unbound at 1960 GATT conference, so that changes can be made.
- **Tariff** on motor vehicles be increased to 17½% British Preferential, 25% Most Favored Nation.
- **Eliminate "duty free"** status of automotive parts from British Commonwealth; establish a British Preferential tariff of 17½% on all parts except on parts classed as "not made in Canada" which would continue to enter duty free under both British Preferential and Most Favored Nation.
- **Modernize** other tariff provisions on parts.
- **Change** "Commonwealth content" for tariff purposes on vehicles made in Canada, to "Canadian content."
- **Establish** a sliding scale for excise tax, providing a lower tax as Canadian content rises.
- **Enforce** the value for duty provisions of the customs law to give a more realistic evaluation on imported automobiles and parts, eliminating "artificially low values negotiated by European countries on export of vehicles to Canada."

If automotive tariff schedules are again bound for three years at the 1960 GATT conference, "the parts manufacturing industry could be irreparably damaged before corrective action could be taken," says the brief.

It notes that, under the Montreal agreement of 1958, automotive schedules were bound free of duty to the U. K. until 1961, and this agreement also would have to be adjusted.

"The continued duty free status of automobiles from the U. K. is literally handing the Canadian automotive market to that country on a plate," the brief asserts.

Not only is there no duty, but the low customs valuations reduce the amount of sales and excise taxes collected, thus giving the U. K. car an even greater advantage over the Canadian-built automobile.

Says the brief:

"The duty-free status of U. K. vehicles has effectively stopped certain U. K. firms from assembling their vehicles in Canada.

"There is also the distinct possibility that European car and parts manufacturers will establish branch factories in the U. K. to take full advantage of the duty free tariffs from that country on shipments to Canada.

"Under present conditions 'content' offers a real incentive to manufacturers to establish their factories in the U. K."

Establishment of a 25% tariff on automobiles from MFN countries would help to equalize Canadian labor costs with lower cost wages in those countries.

Present lack of tariff on parts from U.K. "is an open invitation to begin large scale importation of U. K. parts, not only for past model service, but also for original equipment."

British firms have no incentive to locate in Canada.—They enjoy much lower wage rates in the U. K. and they have no tariff to hurdle.

The market for past model service parts is a separate market, in some cases more valuable than the market for original equipment, and should be given separate treatment, say the manufacturers.

At present, they assert, "Commonwealth content" in a Canadian-built vehicle is almost entirely Canadian. But there is the threat of importation of U. K. parts at the direct expense, not of U. S. parts, but of Canadian parts.

"It is Canadian content which employs Canadian labor, not Commonwealth content achieved outside of Canada."

Admitting that Canadian content set at too high a level could actually discourage vehicle production in Canada unless there were some compensating factors, the brief submits that a sliding scale excise tax would permit an economic Canadian content, of up to 65%, without an undue increase in costs.

Any loss of excise tax revenue from reduction of imports would be more than compensated for by the increase in personal income taxes paid by thousands of additional workers in Canada.

There would be also additional corporation taxes, as well as other benefits through increased employment of labor in Canada.

The brief says that peak Canadian domestic market for vehicles, in 1956, saw Canadian production of 449,000 or 83.5% of total sales of 538,000.

But in 1959, Canadian production was 350,000 or only 68% of total market of 515,000 units. Imports (from U. K., Europe and U. S.) took 32%.

Imports, which stayed at a level of about 88,000 vehicles 1950 to 1956, jumped to 165,000 units last year.

Emphasizing importance of the Canadian automotive industry, the brief says that in 1955, with domestic production of 454,000, the industry used:

Steel, 240,000 tons approx.; rubber, 57,000 tons; lead, 22,000 tons; glass, 20,000 tons; copper, 7,000 tons; aluminum, 5,000 tons; zinc, 4,000 tons; paints, 1.6 million gal.

Jobs in Our Auto Plants

Employment in Automotive and Parts Industries in Canada

Year	*Automobile Mfg.	†Parts Mfg.	Total	Canadian Work Force Vehicle Production	Per 1,000 Units
1950...	29,355	29,578	58,933	390,000	152
1953...	32,973	35,003	67,976	481,000	141
1955...	33,429	29,994	63,423	454,000	140
1956...	35,099	32,207	67,306	468,000	150
1957...	33,193	30,639	63,832	412,000	155
Averages 1950-57 inclusive.	31,697	31,181	62,878	427,000	148

*DBS figures.
†Automotive Parts Manufacturers' Association estimate.

Aluminium Ltd. Promotes Officers

MONTREAL (Staff) — **Aluminium Ltd.** announces two new executive appointments:

R. E. Powell, for 20 years president of subsidiary **Aluminum Co. of Canada** and in recent years senior vice-president of Aluminium Ltd., becomes honorary chairman of the latter. He will continue "to assist management in a consulting capacity."

Edwin J. Mejia moves from his job as chief sales management officer to that of senior vice-president of Aluminium Ltd.

ANNOUNCEMENT

DOMINION STRUCTURAL STEEL ANNOUNCES MONTREAL APPOINTMENTS

J. BROWN

C. COULTHARD

R. A. COUTURE

D. D. CURRIE

A. J. M. HUMPHRIES

C. McCREDIE

H. J. T. PATTERSON

Mr. J. D. Richards, Montreal District Manager for Dominion Structural Steel Limited, announces the following:

Mr. J. Brown, District Construction Manager; Mr. C. Coulthard, District Manager of Purchasing; Mr. R. A. Couture, District Finance Manager; Mr. D. D. Currie, District Manager, Mechanical Products, Technical Services; Mr. A. J. M. Humphries, District Manager of Industrial Relations; Mr. C. McCredie, District Production Manager; Mr. H. J. T. Patterson, District Sales Manager.

Mr. J. Brown is a graduate in Civil Engineering of the Royal Technical College, Glasgow, Scotland. He has been in the steel construction industry for twelve years and joined the Company in 1959.

Mr. C. Coulthard joined the company in 1947 and has been associated with warehouse steel, and steel control since then.

Mr. R. A. Couture is a graduate in Commerce of McGill University and has recently joined the company bringing with him seven years' experience in the field of finance.

Mr. D. D. Currie is a graduate in Mechanical Engineering of the University of Toronto. Prior to joining the company in 1956 he was in the base metal industr for 12 years.

Mr. A. J. M. Humphries, a graduate in Arts of Queen's University, joined th company in 1957, having specialized in the field of industrial relations.

Mr. C. McCredie, a graduate in Science of Bishop's University, joined th company in 1950 and since 1955 has held the position of Montreal Plant Manage

Mr. H. J. T. Patterson, a graduate in Civil Engineering of McGill University, ha been actively associated with engineering and sales since joining the company i 1951.

newsworthy!

The significant things in this picture are the *man* . . . and the *newspaper* he's reading. This man represents a market of almost 395,500 people in Ottawa, the nation's capital. He earns 26% more money than the average man in Canada and spends 19% more than the average Canadian. He represents a market of $395,000,000 in retail sales. • These are knowledgeable, well-informed, interested people. They demand *complete* news coverage. The Ottawa Citizen gives it to them. It gives them accurate, intelligent coverage of local, national and international news, written and presented with care and clarity from the city desk, a host of important wire services and from the continent-hopping Southam men all over the world. • It's this kind of thoroughness that has won The Ottawa Citizen the trust and confidence of 175,058 faithful readers* who make it a point to peruse its pages every day. Number one in Ottawa, the Citizen is the newspaper best known and most trusted—another reason why... *you get action when you advertise in* THE OTTAWA CITIZEN

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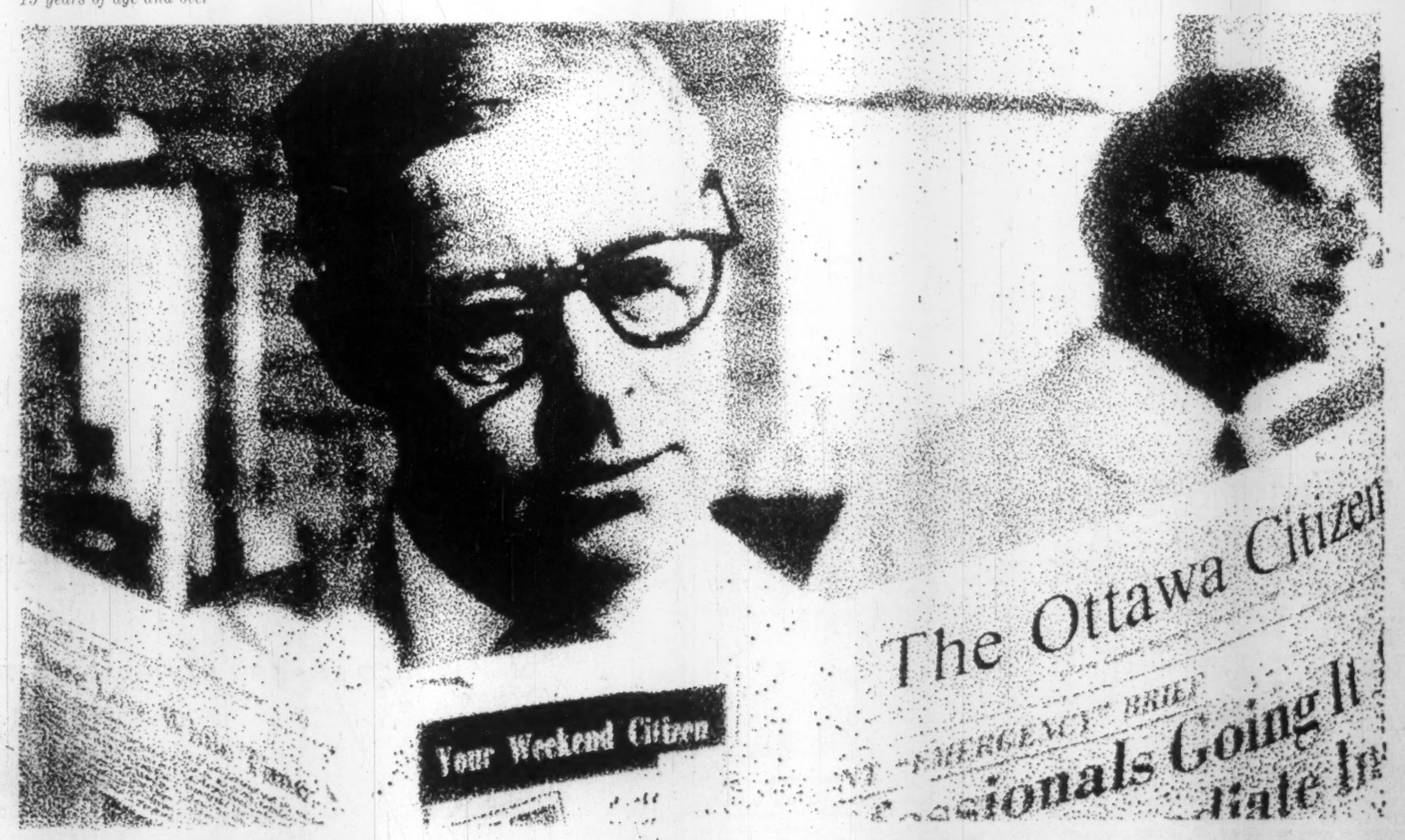
*15 years of age and over

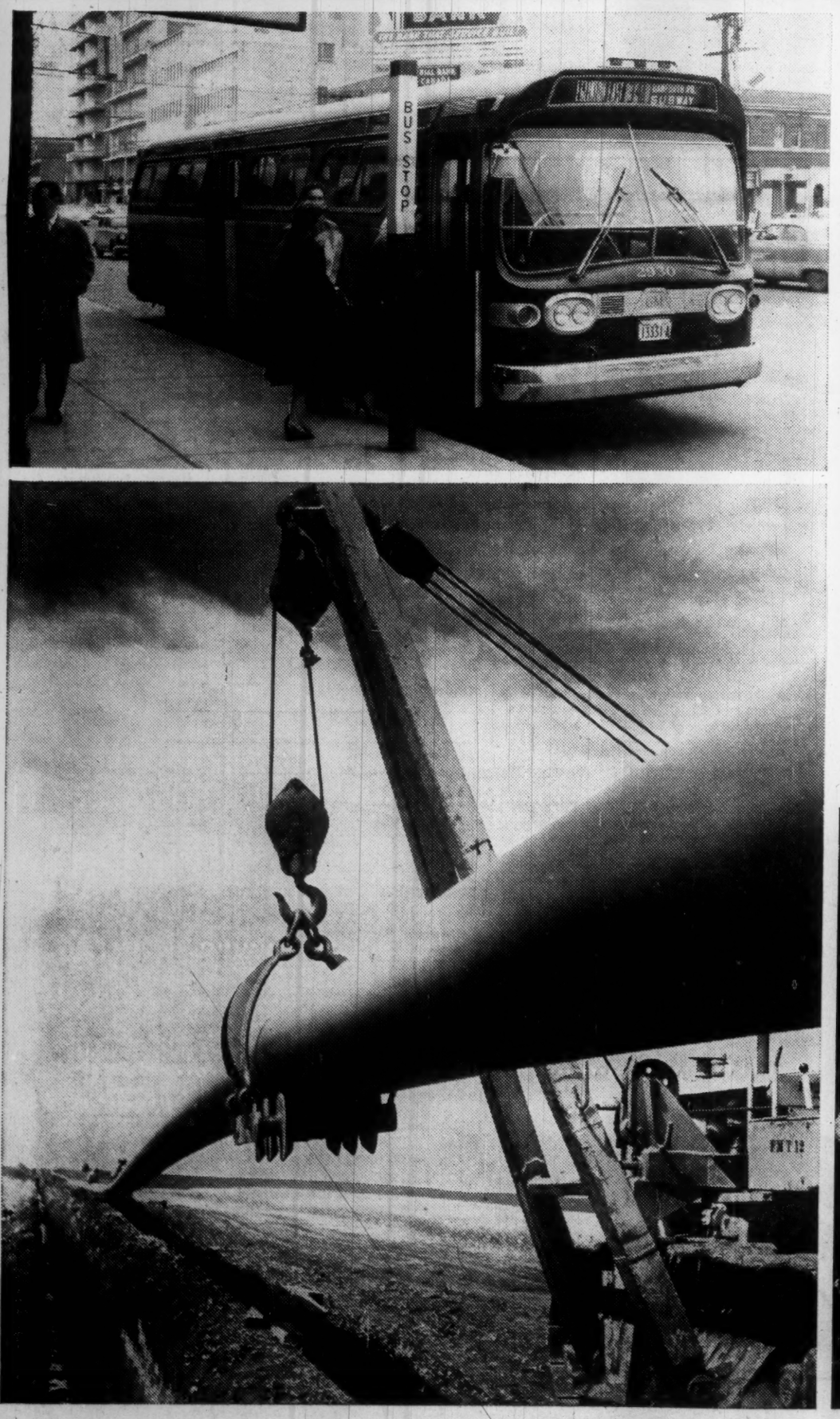


The other Southam Newspapers are: THE NORTH BAY DAILY NUGGET • THE HAMILTON SPECTATOR • THE WINNIPEG TRIBUNE • THE CALGARY HERALD • THE EDMONTON JOURNAL • THE MEDICINE HAT NEWS • THE VANCOUVER PROVINCE (Published for Pacific Press Ltd.)

TORONTO THE SOUTHAM NEWSPAPERS, 88 UNIVERSITY AVE., K. L. BOWER, MANAGER. MONTREAL THE SOUTHAM NEWSPAPERS, 1070 BLEURY ST., J. C. McCAGUE, MANAGER. UNITED STATES CRESMER & WOODWARD INC. (CAN. DIV.), NEW YORK, DETROIT, CHICAGO, SAN FRANCISCO, LOS ANGELES, ATLANTA.

The Financial Post

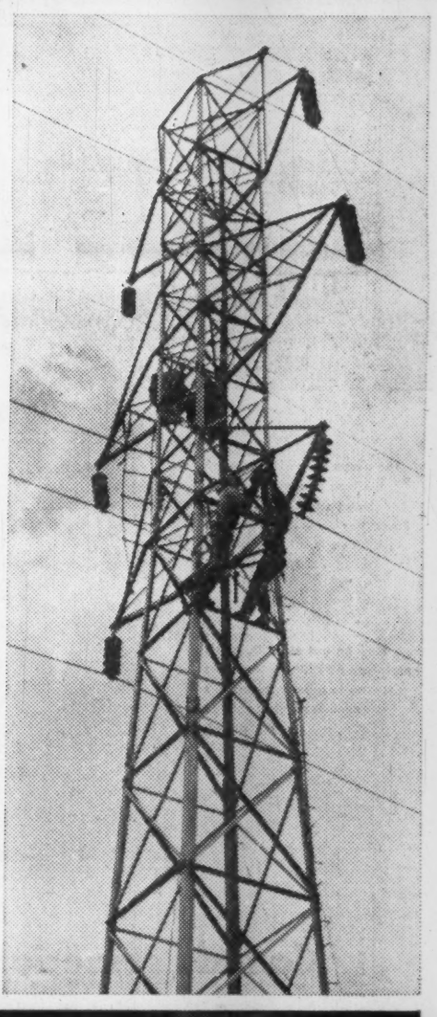
Vol. LIV | Member of Audit Bureau of Circulations | Publication Office: Toronto, May 7, 1960 | Twenty-five Cents an issue, Eight Dollars a Year | No. 18



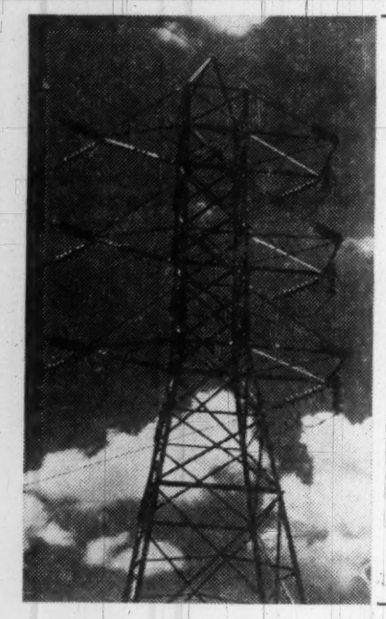
POWER & PUBLIC UTILITIES

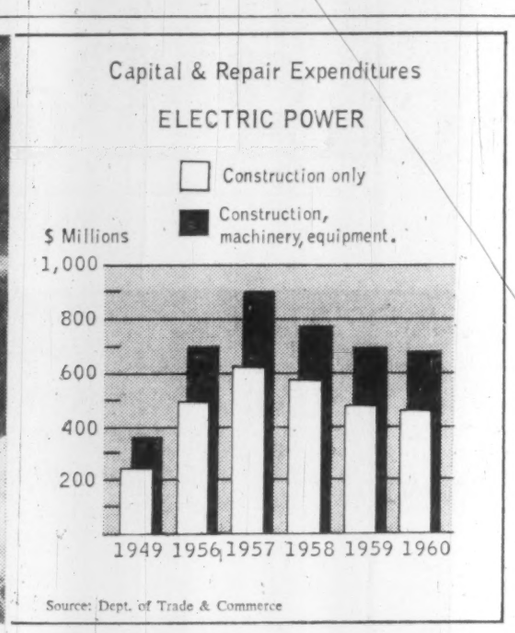
a feature report

Keener competition than ever before . . . that's the keynote of the 1960s, for the public utilities serving Canadians. This year alone, Canada's power producers, gas distributors, telephone systems, transit lines and other utilities will spend well over $2,500 million in new capital to bring broader, better service to Canadians. In this special report, The Financial Post tells what the utilities have accomplished, what they plan for the years ahead.



B.C. Power Picture Blurred





Not all is Peace on Canada's western electric power front.

Confusion marks the arguments for and against two major development projects: The Columbia River project of public interest with the British Columbia, the Canadian and the U. S. governments involved, and the Peace River project which is privately backed by Canadian, British and Wenner-Gren (Swedish and German) interests.

The Peace River plan is ahead of the Columbia plan. It has been completed in detail and has officially been found technically sound.

Peace River Power Development Co. is ready to begin the first $375 million stage of its project this year. Electricity could be generated by 1968.

Columbia River plan still lacks many technical details. It also requires a Canadian-U. S treaty. Principles of an agreement have met with common approval. They are now contained in proposals which may or may not take a long time to ratify and become a treaty. Nobody knows.

The problem revolves around such questions as the plans' separate and joint economic feasibility, the province's future power needs, power exports to the U. S., and to a lesser extent finance and fishing.

Current estimates indicate that British Columbia will need new power sources by 1970, possibly a couple of years earlier.

Under an agreement with the provincial government, Peace River development must start as soon as water and utility officials have approved the technical and economical details. The development company has already spent $5.3 million to obtain and elaborate those details. Company says it has the funds to start this year and meet bills until late next year.

To complete the entire project at an estimated cost of between $630 million and $700 million, substantial public financing will be needed.

The Peace River developers have recently been told by the British Columbia water rights comptroller that their scheme has no engineering flaws. But it is suggested that other projects would have to be delayed to make it economically feasible.

Energy from the Peace River could be marketed within the years predicted (1968-1976) "provided no other major resources development, either hydro or thermal, absorbs part of the market", it is stated in the comptroller's report.

Peace River developers' next step is to apply for a certificate of public convenience and necessity with the Public Utilities Commission. A last step would then be to obtain a water license.

The Peace project should produce up to 1.5 million hp at the end of the first phase in 1968. After completion the project should produce between four million and 4.5 million hp.

So far the Peace River Development has not signed up its apparent customers, **British Columbia Electric Co.** or **British Columbia Hydro.**

British Columbia Electric, the province's dominant power utility, recently took steps to protect itself against any possible future shortage by buying huge coal deposits near Lillooet.

The coal field is adjacent to Hat Creek, 150 mi. north of Vancouver, and 45 transmission mi. from company's Bridge River plant. The proven quantity of coal, using selective open pit mining techniques, is 340 million tons.

This is sufficient to fire a two million kw plant, operating at 60% load factor, for approximately 40 years. Studies seem to indicate that there is an additional quantity of coal equal to the amount already proven.

Company has pointed out that the generating potential in the coal field is equal to that of the full Peace River development or of the whole of the Upper Columbia River.

Studies also indicate that the cost of producing electricity at Hat Creek and transmitting the energy to the lower mainland region is comparable to British Columbia Electric's present system costs.

Hat Creek could influence negotiations between British Columbia Electric and the Peace River developers. Certainly some experts believe it lends doubt to Peace River development's economic feasibility at this stage.

Both British Columbia Hydro and British Columbia Electric are waiting for a decision on Columbia River power. Hydro will have the job of handling the Canadian end of the proposed joint Canada - U. S. undertaking.

The commission has been granted a reserve on crown lands at the High Arrow damsite on Lower Arrow Lake, and on the Duncan Lake damsite at the head of Kootenay Lake.

Both are water storage developments recommended in a recent engineering report of the International Joint Commission which has the Columbia project in study.

Both developments would provide regulation of water of the upper Columbia River which would return downstream benefits from below the border to British Columbia.

Meantime, British Columbia Hydro is quietly keeping some potential developments of its own under study. These include:

The Homathko River, some 80 mi. north of Vancouver near the coast, and the Clearwater potential, north of Kamloops. The commission further has a 51,000 kw potential on Vancouver Island, which is considered a valuable standby in case major power supply does not come when required.

The Columbia project backers are hopeful that negotiations toward a treaty will speed along. Progress recently has been quicker than during the initial stages.

Large outlines of the project have the Joint Commission's blessing. They cover both hydro development and flood control, and the 50-50 share of Canada in downstream benefits derived from water storage in Canada.

One of the keys to possible success lies in the water storage and regulation potential on the Canadian side. Federal authorities maintain it would be much more economical than storage in the U. S.

For this reason, coupled with power need in the northwest U. S., Canada feels there is a good chance that the U. S. will accept Columbia development without great delay.

In the argument over the merits of the Columbia project as against development of the Peace River scheme, timing plays as large a part as economics.

There is no escaping of the fact that new power sources should be ready by 1968 or 1970. Either project must be under construction within the next couple of years to meet the deadline.

Here, apparently, lies the Peace developers' advantage.

Other factors include the fact that the federal government is solidly behind the Columbia project, while the British Columbia government is taking the position that the province will eventually need the output of both.

Awaiting further engineering work, it is estimated that the Columbia scheme would yield up to five million hp capacity. Federal spokesmen have said that Columbia power would be available at about 4 mills per kwh in Canada, thanks in part to the downstream benefits including delivery of one million kwh of firm power.

Estimated final cost of the entire Columbia project is around $3,000 million, with Canada footing roughly one third of the bill. Canada's financing would be on a 50-50 basis by the federal and British Columbia governments.

While Peace River Power Development goes along with the reasoning that the power of both projects will be needed eventually, it disputes a federal estimate comparing prices per kwh delivered at four mills for Columbia and nearly six mills for Peace.

The Peace developers say that Columbia engineering hasn't gone far enough to offer a solid basis for such comparison.

They further state that there would be big savings and other advantages if both rivers were developed and integrated into a pool or interchange system for the entire Pacific northwest area.

This, according to Peace River spokesmen, is no longer a matter of firm delivery exports of Canadian power

(Continued on page 52)

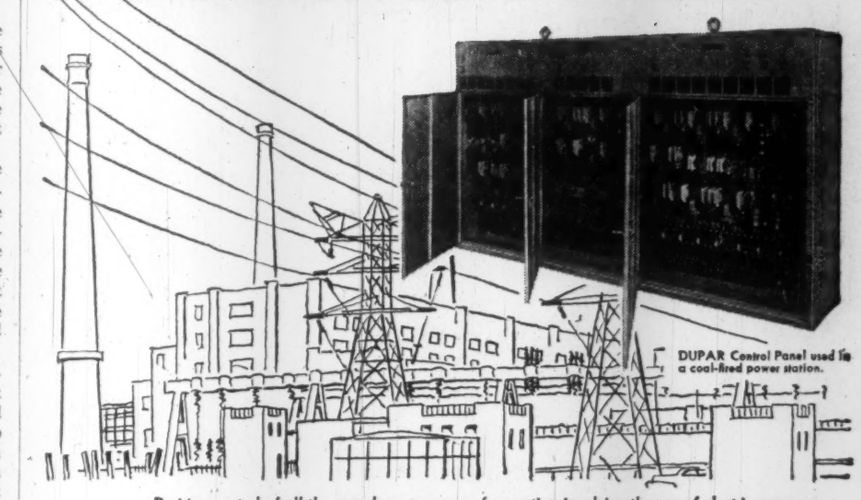
Approved by

Penman

PATENTED
2-SOLE SOCKS

8-11-B

POWER CONTROLLED



DUPAR Control Panel used in a coal-fired power station.

Positive control of all the complex sequences of operation involving the use of electric power, whether in the producing power stations or in heavy industrial plants, requires dependable grouped controls. In electrical power production and continuous industrial processes alike, DUPAR Engineered Control Systems give that necessary degree of dependability and efficient grouping of controls to provide economical operation and adequate protection of plant and machinery.

DUPAR

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KITCHENER, ONTARIO
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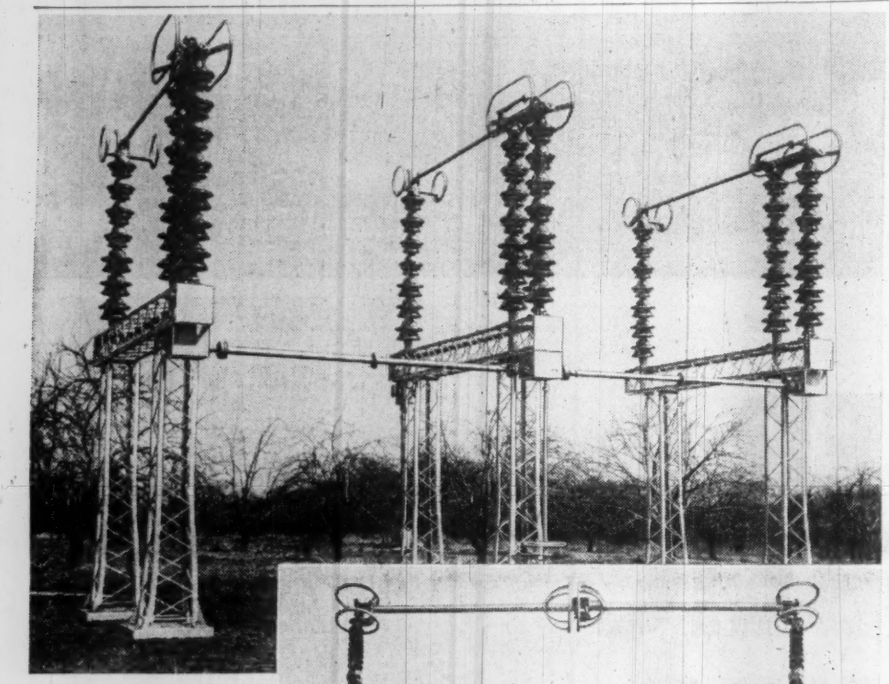

The above switch is typical of the type of equipment now being supplied to Eastern Power Devices customers across Canada in ratings from 7.5 KV to 345 KV.

Now on test at E.P.D. is this prototype 600 KV disconnecting switch to answer tomorrow's need for higher voltage equipment.

Canada's specialist in switchgear meets the requirements of today and sets the standards of tomorrow

The switchgear designed and produced for today's use by Eastern Power Devices is the product of years of specialist engineering research.

To assure our customers of the high quality, large capacity switchgear they will need in future, E.P.D. engineers are already testing prototype 750 KV disconnecting switches. So interesting is this equipment now under test, that one of Canada's largest electrical utilities has purchased a similar unit for their own testing purposes.

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6003

Jamaica
is setting new records in economic progress

The year 1959 was a period of great development in Jamaica with new records of productivity and prosperity achieved throughout the Island and by Jamaica Public Service Company, Limited.

All indication of the Island's economic progress is revealed in the growing use of electricity in Jamaica. JPS continues to pace the Island's growth with still greater supplies of electric power.

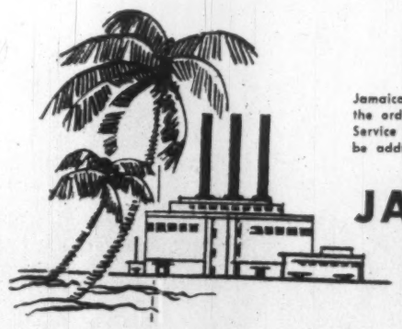
Highlights of the Company's operations in 1959 follow:

- Operating revenues achieved a new high of £2,108,790, which represents an increase of 14.8% above 1958.
- Net generation totaled 245 million kwh, an increase of 37 million kwh over 1958.
- New customers numbering 4,673 connected to the Company's system, bringing the total to 51,573.
- Construction expenditures totaled £1,565,212, establishing a new annual record.
- Maggotty hydro-electric plant started operation in December, adding 6,000 kw to the system capacity.
- Orders placed and foundation work completed for Hunts Bay Unit No. 4 (15,000 kw), scheduled for completion late in 1960.

Operating Revenue
MILLIONS OF £
3
2
1
1955 1959

Electric Customers
THOUSANDS
50
40
30
20
10
1955 1959

You are invited to write for a copy of our 1959 Annual Report to Shareholders.



Jamaica Public Service Limited, a Canadian company, owns all of the ordinary and certain of the Preference shares of Jamaica Public Service Company, Limited. Inquiries concerning both companies may be addressed to 507 Place d'Armes, Montreal.

JAMAICA PUBLIC SERVICE COMPANY, LIMITED
151 ORANGE STREET • KINGSTON • JAMAICA, W.I.

New Board To Map Canada's Energy Growth

Keen competition ahead as coal, oil, gas and electricity battle to attract consumers' dollar . . .

By P. T. DURRANT

Most significant development of the past year for Canada's energy industry has undoubtedly been the establishment of a National Energy Board.

Not only has the board been able to tackle an immediate issue and set the wheels in motion for large-scale export of Canadian natural gas, but its terms of reference and jurisdiction will enable it to chart the future growth and development of the energy industry on a national scale.

Main features of the board's duties:

- **To regulate in the public interest and subject to the jurisdiction of Parliament,** the construction and operation of oil and gas pipelines and the tolls to be charged.
- **To regulate** the export and import of natural gas, export of electric power and the construction of international power lines.
- **To study and review** all energy matters within Parliament's jurisdiction, operating in this case much as a continuing royal commission.

The Energy Board authorized gas exports totaling 6.5 trillion cu. ft. over periods of 20 to 25 years.

This is what it could mean to Canada:

- **Sales of gas could bring in** about $75 million annually from the U. S. by 1963.
- **Some $200 million could be spent** in new transmission facilities.
- **More than $100 million** may be spent on gas-processing plants.
- **The Canadian Petroleum Association has estimated** that exports will provide nearly $500 million to gas producers in the period 1961 to 1968, and that total new revenue to the industry over 25 years will be $1.85 billion.

On the Canadian scene, the blue flame of natural gas is glowing brighter as the gas utilities engage in an allout effort to attract customers and expand their facilities.

By 1980 there will be double the number of people in Canada and they will be using 10 times as much natural gas as they used in 1955, W. H. Dalton, managing director of the Canadian Gas Association said recently.

Here are some of Dalton's figures and forecasts:

In 1959, natural gas sales through utilities totaled 282,000 million cu. ft. In 10 years, it is estimated sales will be a minimum of 800,000 million cu. ft. annually in Canada.

Residential customers took 99,000 million cu. ft. of gas last year. In 1969, residential sales will be nearer 290,000 million cu. ft.

Commercial sales are going to rocket too. By the end of the 60s they will double their present 44,000 million cu. ft.

Rate of growth in the industrial field is more difficult to predict, Dalton said, but it is likely that the same trend will be evident here.

(Last year, industrial sales of 140,500 million cu. ft. comprised nearly one half of the total.)

The 1955 Gordon Commission on Canada's economic prospects gave the following indication of the changing pattern in energy supply:

By 1980, well over two thirds of Canada's total energy requirements will come from oil and natural gas as against about half now. By then, coal will be relatively about half as important.

Water power will be somewhat more important and nuclear energy, measured in terms of its contribution as electricity, will have made its appearance.

Wood as a source of fuel will have all but disappeared.

John Davis, director of research and planning for **British Columbia Electric Co.** in Vancouver, expresses these changing energy supplies in quantitative terms:

"The contribution of natural gas by 1980 may rise at least 15-fold. Waterpower might go up at least four times, oil more than three times.

"Even coal, though down relative to other fossil fuels, may still recover to the position where greater tonnages than today are in use across the nation."

By 1980, he states, most if not all of Canada's increased consumption of natural gas and hydro-electric power will come from Canadian sources.

Bulk of the coal required and a good part of the oil requirements of Quebec and the Atlantic Provinces will come from abroad, particularly the U. S.

That's the pattern of coming energy requirements. Meeting them is going to involve keen competition in the energy business.

The arrival of natural gas is cutting into oil's rate of growth and is posing the first big challenge hydro-electric power has had to face.

Canadian hydro resources are great though by no means inexhaustible. Certain areas such as Southern Ontario have almost exhausted their economic potential development of water resources.

Stations generating by thermal means will become increasingly important and it is expected that thermal generation capacity will increase absolutely as well as relatively.

Total net generation of electric power plants in 1959 has been estimated at 103,600 million kwh, an increase of 7.1% over 1958 and more than double the output in 1949.

Installed capacity of water power plants in Canada is now listed at 24.9 million hp, which is less than 30% of the feasible turbine installations based on the country's estimated water power resources. Over 2.5 million hp of new capacity was added during 1959.

Installations currently under construction are expected to add about 1.7 million hp during 1960 while an additional 2.3 million hp are either under construction or in active prospect for development in succeeding years.

Among the many developments planned for the coming years is Ontario Hydro's $182 million project for the far north.

A six-year construction program involves three new generating stations in the James Bay watershed and a pioneer system to carry power hundreds of miles to built-up areas.

Hydro is already building its Otter Rapids station on the Abitibi River, slated for operation next year.

These four stations to be constructed on the Moose River system will have a total capacity of around 528,000 kw by 1966. They may be expanded later in Hydro's long-range program to harness northeastern Ontario rivers which could yield about 1.5 million kw over the next 20 years.

To get this power down to the industrialized areas of Southern Ontario, Hydro is pressing on with plans for the economical transmission of large blocks with line voltages up to twice the present nominal maximum in Ontario of 230,000 v.

Present plans call for the building of two extra-high voltage lines, extending for a distance of 450 mi.

Expectations are that the first line will be operating at 230,000 v in the early 1960s, with operation at full voltage of 460,000 v expected one or two years later.

Ontario Hydro officials expect natural gas will make little impact on their earnings before the mid-1960s. The effects of gas competition will be cumulative rather than immediate.

One main area of competition is shaping up in water heating for homes.

When builders put in a gas furnace, quite often it is easier or less expensive for the buyer of the house to install gas appliances, particularly waterheaters.

To meet this competition, Ontario Hydro is promoting the use of electricity and electric appliances and, in some areas, by allowing time purchases of electric waterheaters or rewiring jobs.

The goal of all electric power utilities such as Hydro: the all-electric home.

Electric utilities face a continual battle with rising costs.

Canada can no longer be considered a country possessing unlimited quantities of low-cost power, except in so far as large energy-using industries could continue to locate in close proximity to the sources of supply — that is, near remaining potentials of large-scale, but relatively remote hydro sources.

That's the way J. A. Fuller, president of **Shawinigan Water & Power Co.,** sees the future. He points out that in 1950 Canada's generating capability was derived about 91% from hydro generation and 9% from thermal — a ratio of 10 to one.

In 1959 these proportions were about 83% hydro, 17% thermal. By 1980, rate of hydro to thermal generation will probably be two to one.

Production cost of thermal power has been considerably higher than hydro, at least in the major power-consuming regions. Thermal power costs have been rising gradually in spite of continuing improvement in output per ton of fuel.

Other factors which have an inflationary effect on power cost:

- **Higher construction cost of hydro developments,** due to increased cost of construction and longer transmission distances to load centres.
- **Higher cost of money** with its particular impact on hydro developments.

In efforts to offset rising costs of production in the future, not much more can be expected from further efficiencies in thermal generation, except in so far as older, less efficient stations are replaced by large modern ones.

Best hope lies in development of longer, higher-voltage and perhaps direct current transmission lines, says Shawinigan's Fuller.

These will allow utilities to take advantage of numerous very large but remote hydro potentials.

(This is what Ontario Hydro is doing in its Northern Ontario project.)

What part will nuclear power play in future energy developments?

Various degrees of optimism and pessimism were expressed during the first Canadian conference on uranium and atomic energy early this year, but general opinion appears to be that nuclear power will not become an important source of world energy until after 1970.

Dr. G. C. Laurence, director of reactor research and development, **Atomic Energy of Canada Ltd.,** said:

"After 1962 we expect that CANDU type nuclear plants will be chosen as economically competitive (with conventional power plants) for southern Ontario and possibly elsewhere.

"The first such plants should begin producing power about 1967. That first plant in southern Ontario will be followed by others.

"They will be quite large units, at least 250,000 hp each, because only quite large units would be competitive with coal-fired stations in that part of the country.

"Smaller power stations will be competitive where present power costs are higher, as in Nova Scotia.

"So by 1970 we may expect a growing use of nuclear energy for central generating stations in some parts of Canada."

British Columbia Electric's John Davis was less optimistic and held that nuclear energy will do well to become economic in Canada by 1970.

"Where the shoe really pinches is in respect to capital costs. Each project has started out well enough, but as construction progressed and bills were paid, the original forecast has been revised upward," he said.

He also questioned whether the savings resulting from the nuclear research program would justify the costs. He calculated a benefit-cost ratio of about 1.5 to 1.

"Various analyses carried out in the U. S. suggest that, for research in general, the benefit-cost ratio may be something like 20 to one."

Canadians should be interested in the benefit-cost ratios of spending money on long-distance transmission, unlocking the vast amounts of energy tied up in Alberta's tar sands, or better methods of processing uranium and other mineral resources, he said.

Capital spending intentions of Canadian utilities for 1960 indicate that expenditures will be at about the same level as in 1959 although lower than the 1958 total.

Spending intentions of all utilities this year suggest they may lay out $2,500 million on new construction and machinery and equipment.

This is slightly higher than the estimate of 1959 expenditure, but down from $2,800 million actual expenditure in 1958.

Of the planned 1960 total, electric power utilities will spend $675 million ($688 million estimated for 1959); gas distribution utilities, $87.5 million ($91 million); and "other" utilities, which include oil and gas pipelines, $252 million ($224 million).

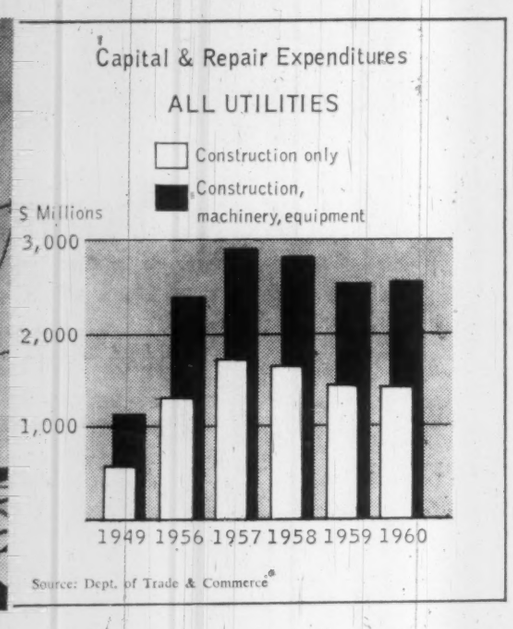
Spending intentions for this year might have been higher were it not for the burden of high interest rates on borrowed money.

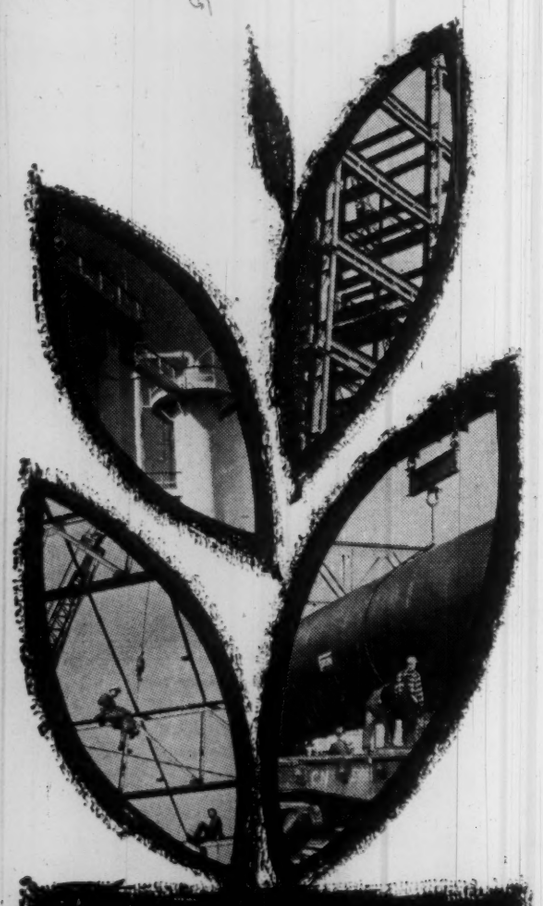
Ontario Hydro plans to borrow $110 million in 1960, compared with $125 million in 1959, $150 million in 1958.

"As long as high interest rates prevail, we will keep our capital expenditures down to the very minimum," Chairman Duncan said.

The fact that reserve power has increased strongly in the last two years (from 8% to 19%), while estimated capital expenditures are expected to decrease, indicates that Canada has passed the critical period of 1956-57, when reserve power was at a minimum and increases in power demand outstripped the increases in capability of installed generating equipment.

It is hoped that in the future the two factors — capability and demand — will progress steadily together to ensure a more stable, balanced supply-demand situation.





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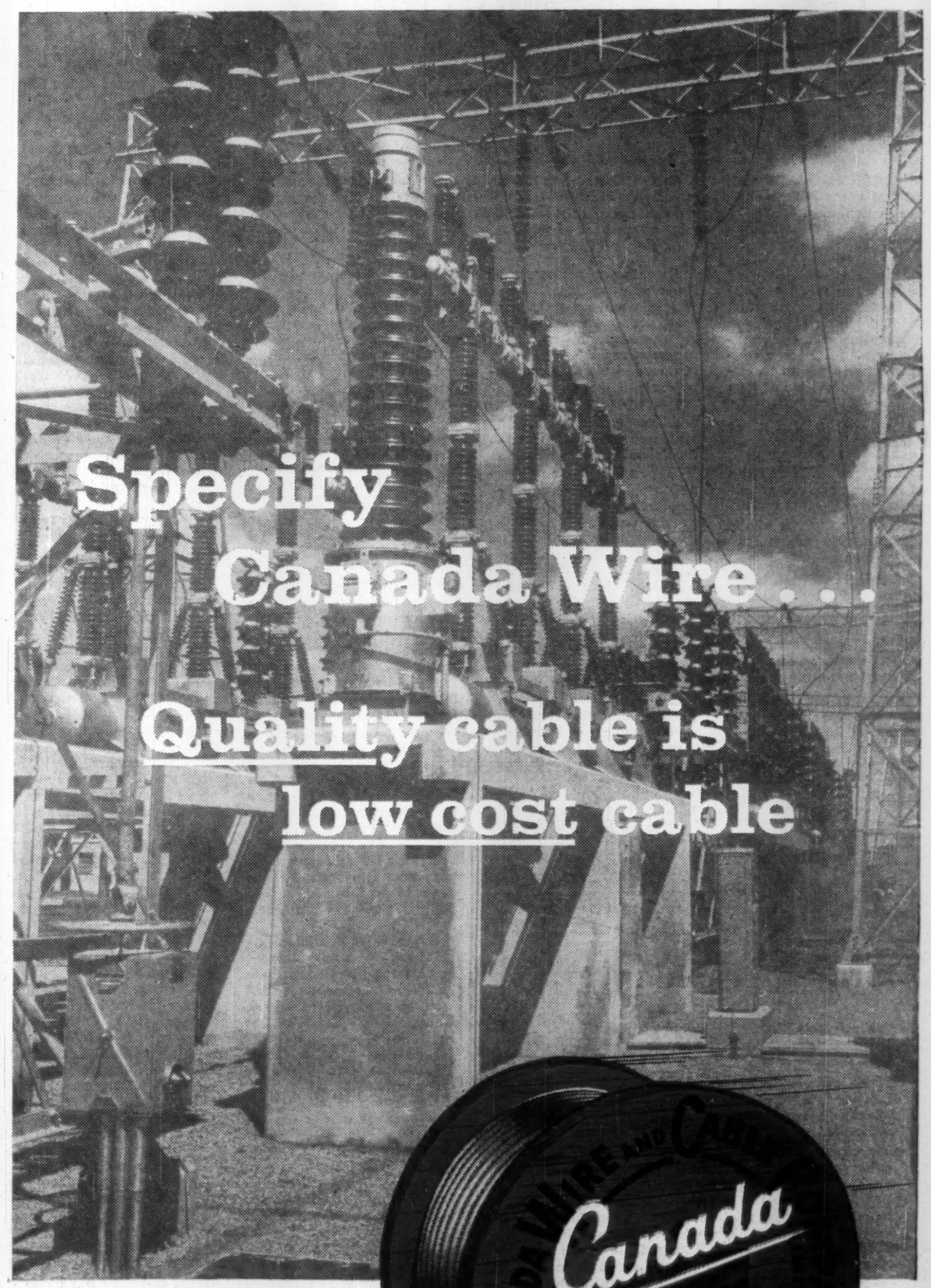

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Canadians abroad help meet world power demands

Canada is developing into a major exporter of engineering and design know-how to meet world power and utility needs.

The happy result: Where Canadian consultants go, there go Canadian products.

This is true in varying degree, depending upon the project. But it's natural for Canadian designers and engineers abroad to want to incorporate machinery and equipment with which they are familiar.

Canadians are making a good international showing in power and utilities probably because they do a great deal of domestic business in the field — some of a pioneering nature. (The same consideration also makes us experts on the provision of pulp and paper mills.)

In the international tussle for business in the power and utility field, the U. S. is the major competitor. The British and Japanese also are prominent.

There are a number of different ways in which such services may be provided.

Common in Europe is the package deal, by which a number of companies collaborate to provide necessary consulting, engineering, designing, construction and equipment for a big job.

More often seen in North America is the independent engineering firm not tied to any particular construction company or equipment supplier.

The British reportedly are becoming more interested in this approach. However many overseas nations still prefer the neat "package".

To meet this desire, North American engineering companies frequently offer to let contracts and provide management of the project for which they are hired.

Big overseas project for Montreal's **Shawinigan Engineering Co.** for the past 2½ years has been the Canada-India atomic reactor near Bombay.

Design and supervision of construction was undertaken in collaboration with the crown-owned **Atomic Energy of Canada Ltd.**, with completion set for this year.

The 40,000-kw reactor is provided by Canada for the Indian government under the Colombo Plan.

Features include a million-gallon spherical concrete emergency storage tank to provide cooling water for the reactor if main pumps fail; a ¾-mile pier along which water normally will be pumped; a 400-ft. stack to disperse cooling air. The reactor building is 120 ft. in diameter.

A point to note: The builder of this project was **Foundation Co. of Canada** and much equipment was supplied by Canadian companies — an example of how a design-consultant job can mean mushrooming exports for Canada.

H. G. Acres & Co. has appeared often overseas — especially in Pakistan — with design jobs, project management and surveys.

The company is U. S.-controlled, but all-Canadian in management and with a majority of Canadians on the board. It occasionally finds itself in the odd position of being handicapped in bidding for U. S.-financed foreign jobs because it is Canadian and at a disadvantage for Canadian jobs because of its U. S. parentage.

Nevertheless it has grown into one of the biggest companies of its type in Canada.

In Pakistan, it is doing the design and project management at the Warsak dam, the **Shadiwal hydro project**, a study for the Canadian government on a possible Colombo Plan thermal plant, a survey on remote control of hydro stations. Previously it did a power survey of the country for the Pakistan government.

Acres is hopeful about South America, where there are many good undeveloped hydro sites.

A somewhat different type of foreign operation is conducted by **Dominion Engineering Co.** The company now ranks fourth among world hydraulic turbine manufacturers in total installed capacity.

It supplies engineering services directly connected with its machinery.

Last year it got what may be the world's largest export order for turbines. It was worth close to $10 million and called for 10 turbines for the Wanapum development in the state of Washington. Company is placing subcontracts in the U. S.

Other major Dominion Engineering jobs now current include the big Warsak dam in Pakistan, Roxburgh and Whakamaru in New Zealand, Kundah I and Kundah II in India.

Earlier **John Inglis Co.** of Toronto got a U. S. turbine order worth $6.5 million.

Dominion Engineering also is a member of the consortium which makes up **Canadian Overseas Projects Ltd.** Others are **Dominion Bridge Co.**, which controls Dominion Engineering, **Canadian General Electric** and **Fraser-Brace**, general contractors.

In itself this group doesn't offer a completely rounded design and consulting service, although it would hire a design-consulting firm if necessary. Basically this group is interested in supplying project components and attendant engineering work, plus construction.

British Columbia firms are prominent.

International Engineering Consultants is the former **British Columbia Engineering Co.** now associated under the new name with **Balfour Beattie.**

It has only recently started to search actively for international commissions, has done the following:

- Three feasibility studies for hydro projects in India, covering the second stage of the Chambal Valley development, associated with Rana Pratap Saga Dam in the Rajasthran (120,000 kw); the first stage of the Upper Sileru development in the state of Andrha Pradesh (120,000 kw); the Bhim Kund Development of 220,000 kw in the state of Orissa. These were done under the Colombo Plan, to determine which of these projects might be appropriate for Canada to support.
- A submission on a large hydro project on the border of Uruguay and Argentina which was called for international competition.
- In the State of Washington it has done project studies for **Cascade Natural Gas Co.** regarding natural gas transmission.

It joined a group of Canadian consulting engineers who visited the World Bank and United Nations regarding Canadian participation in international engineering developments under the jurisdiction of those bodies.

Crippen, Wright Engineering provides a reverse twist. G. E. Crippen, an American civil engineer, came to Canada in charge of design for the Kemano power development of the **Aluminum Co. of Canada,** and established a consulting firm in Vancouver which now has 120 employees.

Crippen has worked on such international projects as the initial design of the Bahkra Dam in India, the Helmand River development irrigation scheme in Afghanistan, and numerous power developments in the U. S., including Grand Coulee Dam.

One of the oldest firms in the engineering export business is **Montreal Engineering Co.**

Through its association with **International Power Co.** it has worked on power and utility projects in many countries. These include Venezuela, Bolivia, Salvador, Mexico and British Guiana.

The company presently is building a steam plant in Maracaibo, Venezuela.

Elsewhere in the world it's working on the Colombo Plan's Kundah project in India. First unit in this hydro power plant had its trial run recently.

Traditionally, Montreal Engineering hasn't participated in package deals, although it says it might do so if necessary.

Companies not in the overseas power and utility field are showing interest.

Power Corp. Designers & Consultants Ltd. — associated with **Power Corp. of Canada** —decided to move into this business late in 1958. Presently it has no overseas projects. But an official says this is a promising area.

As world power and utility needs grow and backward nations develop, demand for large new projects will arise.

Thus engineers, designers and consultants from nations expert in the field—such as Canada — should be able to secure considerable business abroad.

Others could conceivably enter the business if it expands quickly.

A company like **Stadler Hurter International Ltd.**, for instance, with its many overseas contacts plus some domestic experience in the field, might logically expand in this direction if it seemed desirable. S-H, a Montreal-centred firm, is internationally known for its engineering, design and consulting service for pulp and paper.

It would not be difficult for S-H and a number of other similar Canadian companies to move into foreign power projects.

CANADIAN SKILLS are at work on power projects around the world. Under way for the past few years is the giant Warsak hydro-electric development on the deep, swift Kabul river in Pakistan. Trucks churn up fine grey dust on different levels, where power shovels chew away sides of slopes.

B. C. Power Picture

(CONTINUED FROM P. 50)

which would be subject to federal taxation.

All these considerations combined set the stage for the next and virtually final step when the Peace River developers will appear before the Public Utilities Commision with their application for a certificate of public convenience and necessity.

Whether the forthcoming hearings will spark enough light to clear up all the confusion, is said to remain doubtful, even if Peace River gets the green light.

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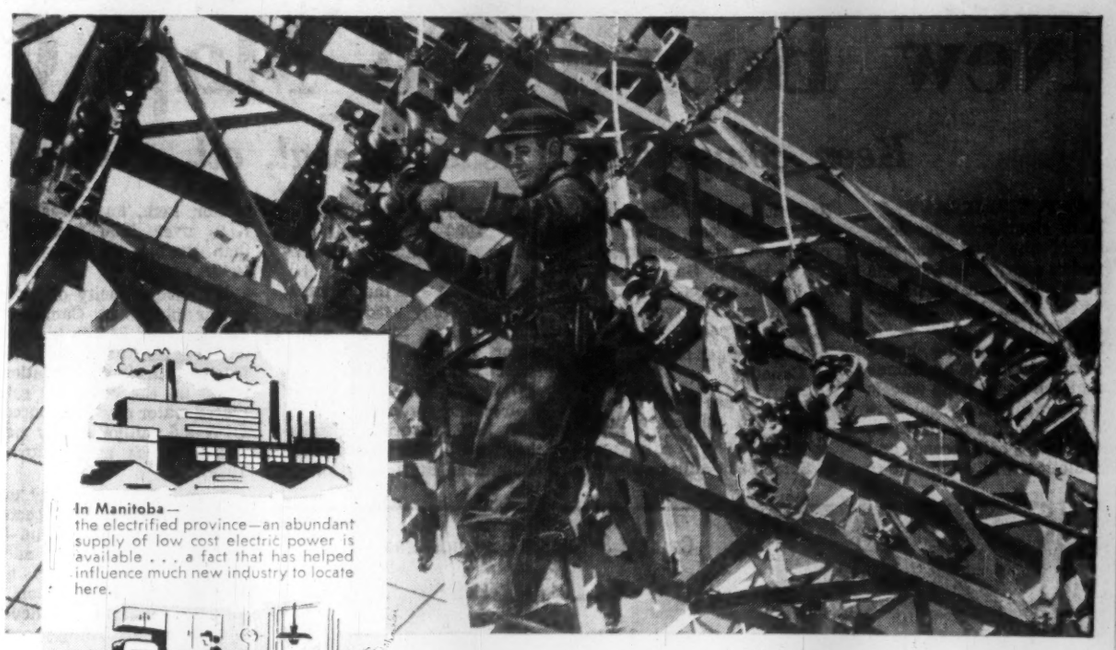

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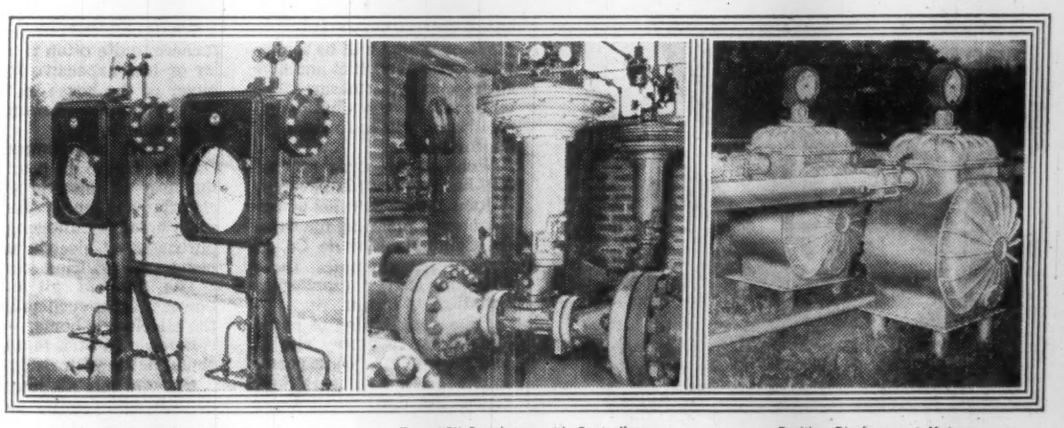

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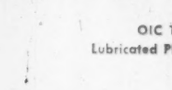

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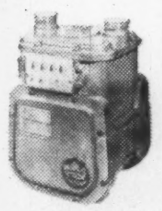

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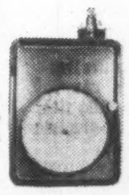

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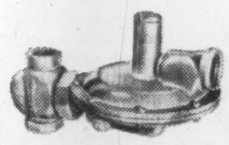

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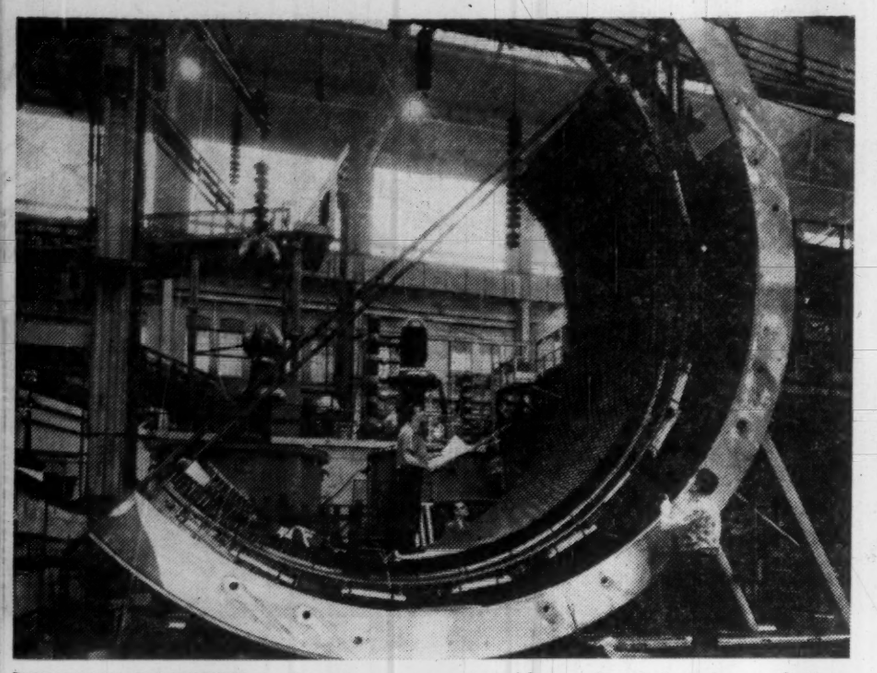


PORTRAIT OF POWER is this giant stator, part of heavy electrical equipment built at Hamilton, Ont., for service at Niagara Falls.

Gas Decision Means New Drive, Capital Spending for Utilities

Permission to export natural gas has put new vigor into an otherwise slightly sluggish capital spending program forecast for 1960 by the nation's utility group.

Current estimates indicate some $250 million will be spent on pipeline transmission projects in Canada in the next few years.

In addition, spending of a further $400 million is slated for gas field development, construction of gathering systems, gas processing plants and associated petrochemical units.

Part of the $400 million undoubtedly will fall within the utility sphere.

While it is difficult to forecast with any accuracy how much of the gas-export-generated capital expenditures will be made this year, investment circles think the 1960 portion will be considerable.

The reason: Gas companies that have received the green light from Ottawa can be expected to do their utmost to get respective systems into operation and cash in on new earning potential.

Estimates of capital expenditures by the Canadian utility group—prepared by the Department of Trade and Commerce before the Ottawa gas export decision was announced — indicate spending for construction, machinery and equipment will be $1,834.9 million in 1960, down 0.7% from $1,848 million last year.

In addition, utilities this year are expected to spend $705.5 million on repairs, 3.2% more than in 1959.

This brings total utility capital and repair expenditures forecast for 1960 to $2,540.4 million, up 0.3% from $2,531.9 million in the previous year.

Capital expenditure estimates for all segments of the Canadian economy call for total outlays of $8.8 billion in 1960, 4% more than in the previous year.

If this estimate is realized, it would be the largest capital program in Canada's history, exceeding the previous peak of $8.7 billion established in 1957.

Joining gas as a bright spot in the utility picture is the telephone group.

Canadians, "gabbiest" telephone users in the world on a per capita basis, are keeping up a strong demand for telephone services. The telephone companies, accordingly, are continuing to develop new plant and facilities at a brisk pace.

For 1960, the nation's telephone companies have slated capital outlays of $343.9 million, 8.8% more than last year. Of this amount, $146.3 million will go for new construction while $197.6 million will be spent on new machinery and equipment. This compares with $134.6 million and $181.4 million respectively in 1959.

Bell Telephone Co. of Canada anticipates that the demand for expansion and improvement in telephone service in its territory will call for expenditures of about $1,000 million during the next five years.

By the end of the decade, company predicts that practically all households in its territory will have basic telephone service, all telephones will have extended area service or broader flat rate service of some sort, that 90% of its customers will have at their disposal facilities to dial their own long distance calls —both station-to-station and person-to-person — that all Bell telephones will be dial operated, and that 80% to 85% of its telephones will be in color.

Since 1946, when its postwar expansion started, Bell has spent nearly $1,500 million on new construction. Last year's construction program cost about $200 million and the company expects to spend the same amount this year.

In addition to capital expenditures, the telephone companies are anticipating major outlays for repairs this year. Repair spending on construction, machinery and equipment is estimated at $122.2 million, 7.5% more than in 1959.

Taken together, this means that the telephone utilities are expected to spend $466.1 million on repair and capital account, up 8.4% from last year's level.

On the electric power utility scene, some major companies are taking a "breather" this year. Anticipated capital outlays by this group for 1960 at $601.1 million are down 3% from $619.6 million last year.

Construction expenditures at $413.1 million are expected to be off 4.5% from last year while outlays for machinery and equipment at $187.9 million will be fractionally higher than $187 million spent in 1959.

Repair expenditures by the electric power group at $73.6 million are expected to be 7% greater than $68.8 million spent last year.

Indications are that capital spending by the electric power group should pick up substantially in 1961 and in subsequent years. **Shawinigan Water & Power Co.,** for example, has already announced a major project starting next year. It expects to spend $225 million over the next five years for its capital program.

Quebec Hydro, now putting the finishing touches on its Bersimis and Beauharnois developments, has just started work on the Ottawa River Carillon project. This will result in major expenditures next year. In addition Quebec Hydro has already started engineering work for development of the Manicouagan River system, its next big development.

In the West, **British Columbia Power** is marking time with thermal developments until it can get permission to develop hydro sources either on the Columbia or Fraser River systems.

Municipal waterworks are slating heavy outlays this year. At $104 million, expenditures on construction, machinery and equipment are expected to be 16.6% higher than last year. In addition, repair spending at $16.4 million will be up $1 million from 1959.

In the railway and telegraph group, capital expenditures are estimated at $313.6 million, 15% less than in 1959. Construction spending at $209.2 million is off from $239.3 million last year while outlays for machinery and equipment at $104.4 million are down from $129.7 in 1959. Repair spending at $341.2 million is about the same as last year.

Cutback in railway outlays reflects completion of several major building projects, phasing out of the dieselization program and lower rate of new rolling stock acquisition.

One damper on utility capital spending in 1960, undoubtedly, is the high cost of borrowed money.

Blue-chip Bell Telephone Co., for example, earlier this year had to pay 6¼% on a $35 million 18-year first mortgage bond issue. This is the highest rate Bell has had to pay in 40 years.

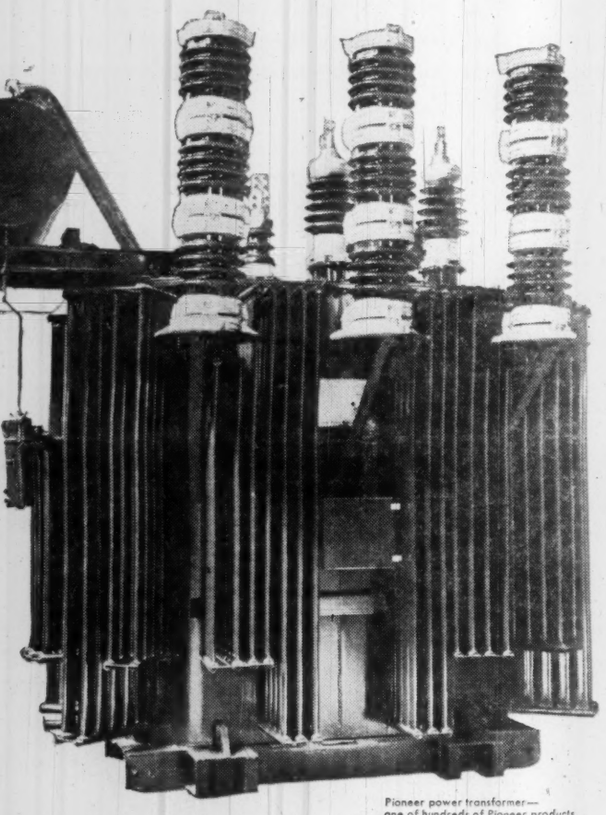
If the bond market trend to lower rates continues, it should give utility borrowers a better break.

Many utilities, particularly the smaller ones, have pared spending to the bone and sought bank accommodation to tide them over until the market improves.

Investment circles note, however, that public demand for utility services does not stand still in anticipation of lower borrowing costs.

"Utilities simply have to provide facilities in anticipation of customer demands, regardless of the market.

"They are simply going to have to get used to paying more for borrowed money—for a while at least. Many of them, in fact, already appear to have accepted this idea," one investment dealer notes.



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Holding Companies

Anglo-Canadian

Anglo-Canadian Telephone Co., Montreal, is a holding company with investment interests in companies owning telephone systems in British Columbia and the Dominican Republic.

Interests include:

British Columbia Telephone Co., 35.9% owned, second largest privately owned telephone company in Canada. It operates under a perpetual franchise in British Columbia.

Anglo acquired an additional 107,574 shares of British Columbia Telephone at $34 a share, through exercise of rights offered in January, 1959.

Compañia Dominicana de Teléfonos, C por A, which operates a telephone system in the Dominican Republic.

In January, 1959, 40% of the existing capital of this subsidy was offered to Dominicans under terms of a contract with the Dominican government. The offer will remain open for seven years. It has been acknowledged but not yet accepted.

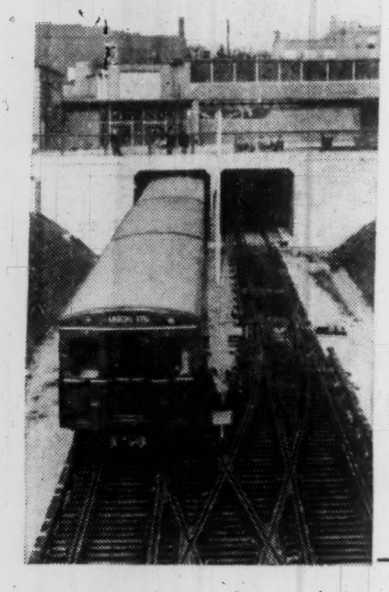
Under the contract, Dominican government also has the right to acquire the telephone, telegraph and radio-telegraph property and related assets and liabilities, at underlying book value, and including an amount of $2,279,205.

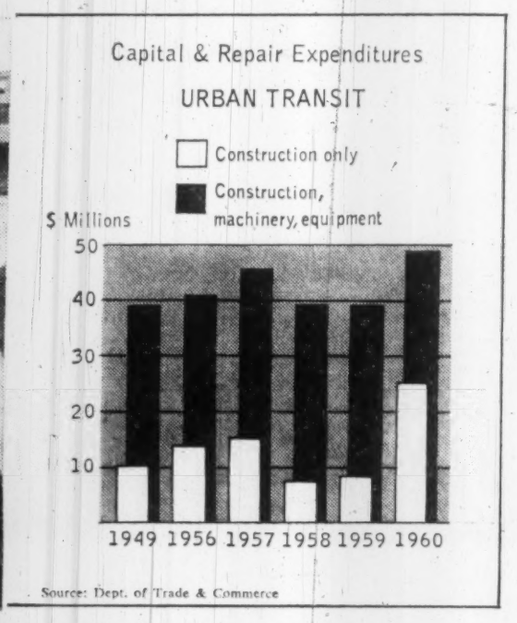
North-West Telephone Co., wholly-owned subsidiary serving Campbell River, Ocean Falls, Powell River and the Peace River areas of British Columbia.

Another subsidiary, **Dominion Directory Co.**, provides telephone directory service for British Columbia Telephone Co. and other companies in Canada.

Consolidated net profit of Anglo-Canadian for 1959 was $2,144,090 ($2.62 per class A share after participation) compared with $1,714,509 ($2.26) the previous year.

Anglo-Canadian is controlled by **Automatic Electric Co.** of Chicago.





Barcelona Traction

Barcelona Traction, Light & Power Co. is a holding company which, through subsidiaries, including a Canadian company, **Ebro Irrigation & Power Co.**, manufactured and distributed hydro-electric power and bituminous coal in northern and eastern Spain.

Physical possession of the properties is held by **Fuerzas Eléctricas de Cataluña**, formed by six Spanish banks. This company was the only bidder at an "auction" sale of Barcelona's assets in the town of Reus, Spain, in 1952.

A court in Reus had granted an order in 1948, declaring the company bankrupt and directing the seizure of the assets of the parent company and its subsidiaries. Validity of this action has been challenged.

The Belgian government filed a brief in June, 1959, with the International Court of Justice on behalf of **Société Internationale d'Energie Hydro-Electrique** of Brussels, which owns a majority of Barcelona's common stock.

At its own request, the Spanish government has been given until May 18 to examine and reply to the Belgian government brief.

Head office is in Toronto.

Brazilian Traction

Brazilian Traction Light & Power Co., Toronto, is a holding company, which through subsidiaries and controlled companies produces and distributes about 65% of the total power in Brazil and supplies more than 80% of the telephones in use there.

Area served covers approximately 250,000 sq. mi. with a population of approximately 22 million.

In addition to electricity and telephone service, operations include gas and water supplies and street railway operations.

Dollar earnings in 1959 did not differ much from 1958's 64c per share. President Henry Borden told shareholders that cruzeiro earnings were up as a result of greater volume.

He added that remittances had fallen behind by a full year. Remittances covering 1958 interest have been received, and exchange contracts have been granted for remittances during 1960 to cover 1959 interest.

Toll revenues of the telephone companies are increasing and there has been an adjustment of local service rates in some areas, mainly to compensate for wage increases.

President Borden reports that apart from tariff adjustments to compensate for wage increases, there has been no fundamental change in the situation of gas subsidiaries.

Outstanding capitalization at Dec. 31, 1959, consisted of 3,934 convertible preferred shares, $100 par and 17,294,671 npv common shares. Funded debt of company and subsidiaries totaled $129,736,265.

Canadian Gas & Energy Inv.

Canadian Gas & Energy Investments Ltd. is a closed-end investment company founded March 4, 1960, to invest primarily in the natural gas, oil and other energy and resource industries in Canada.

Up to 20% of assets, however, may be invested in securities of similar companies organized outside of Canada.

Initial public financing was undertaken in late April, **Gairdner & Co.** offered $1.5 million 6½% 15-year convertible sinking fund debentures at par, and 900,000 par 20c voting, participating, redeemable preferred shares with warrants, at $5 per share.

The 11 directors of the fund hold one common share each, of the 15 par $1 common shares authorized. Four million preferred shares are authorized.

Company may not invest more than 10% of its assets (at cost) in any one security; hold more than 10% of the voting stock of any one issuer; invest assets for the purpose of controlling other companies; buy on margin or sell short.

Principal investment objective is capital growth. Company will not invest on a formula basis, and no particular percentage of assets will be maintained in any particular type of security.

Cdn. Int'l Power

Canadian International Power Co., Montreal, owns 98.6% of the shares of **International Power Co.**, a public utility holding company which controls properties operated for many years in Bolivia, British Guiana, Venezuela, El Salvador and Mexico.

Subsidiaries provide electric light and power services and gas services in the various communities they serve.

Canadian International Power was formed in 1956 to acquire the common shares of International Power in an exchange offer.

Consolidated net profit for 1958 was $8,734,654. It was $9,142,471 in the 12 months ended Sept. 30, 1959. Earnings per share rose to $3.34 in the 1958-59 period ($3.14 in 1958). Results for the fiscal year ended Dec. 31 are not available.

International Power owns the following interest in common shares of subsidiary companies: in Bolivia, **Bolivian Power Co.**, 99.5%, and **Empresa de Luz y Fuerza Eléctrica de Oruro, S.A.**, 95.7%; in El Salvador, **Compañia de Alumbrado Eléctrico de San Salvador**, 88.5%; in Mexico, **Monterey Railway, Light & Power Co.**, 69% of the preferred and 76.4% of the common shares; in British Guiana, **Demerara Electric Co.**, 99%; in Venezuela, **Empresas Eléctricas Venezolanas, S.A.**, 100%.

Since 1957 International Power, through its subsidiary Empresas Eléctricas Venezolanas, S.A., has owned a 13% interest in the common stock of **Financiadora Venezolana de Créditos, C.A.**, a finance company in Caracas, Venezuela. In addition, studies and investigations are continuing for possible acquisition of new businesses.

Sales of electricity by the consolidated operating companies increased 20% from 558,967,000 kwh in 1957 to 669,496,000 in 1958. In the nine months' period ended Sept. 30, 1959, electric sales showed a further increase of 15.1% over the same period in 1958.

Foreign Power

Foreign Power Securities Corp., Montreal, operates as an investment trust.

Company originally had important hydro-electric and gas investments in France. These were nationalized in 1946 and company was compensated in seven installments by the French government. Final payment was in June, 1956.

Proceeds, together with proceeds from the sale of other holdings in France, were invested in Canadian securities.

For year ended Oct. 31, 1959, net profit was $69,926 (12c a share) against $86,376 (16c) in previous year. Total assets were $4,740,341 against $4,456,587.

Capitalization comprises 750,000 common npv shares of which 550,000 are outstanding.

Hydro-Elec. Sec.

Hydro-Electric Securities Corp., an investment trust, along with **International Holdings Corp.**, has been merged into a new U. S. corporation, **International Holdings Corp.**

The new company incorporated in Maryland for tax and other reasons.

Purpose is to permit the company to make investments in Canada. The predecessor companies were prevented from doing this because of their tax status.

Under terms of the merger, Hydro-Electric shareholders received half a share of the new company plus 20c cash for each share held.

Int'l Utilities

International Utilities Corp., New York, through subsidiaries is engaged in the management and development of natural gas and electricity companies and properties mainly in Alberta.

Its two natural gas subsidiaries (see separate articles in this section) are **Northwestern Utilities Ltd.**, which operates in Edmonton and central Alberta, and **Canadian Western Natural Gas Ltd.**, which operates in Calgary, Lethbridge and Banff, and some 60 other communities in southern Alberta.

An electric subsidiary, **Canadian Utilities Ltd.**, supplies electricity to 380 communities in central and northern Alberta, three in Saskatchewan, three in the Yukon and one in British Columbia.

Wholly owned subsidiary, **North West Fidelity Trust Co.**, finances the purchase of homes for system employees and acts as agent for subsidiaries in various matters. The Milner building in downtown Edmonton is also owned.

Other principal holdings at the end of 1959, included $748,400 **Trans-Canada Pipe Lines Ltd.** 5½% subordinated income notes, due 1987; $150,000 **Greater Winnipeg Gas Co.** 6% debentures, due 1979, and $125,000 **Northland Utilities Ltd.** 5½% convertible debentures, due 1978.

Consolidated net profit in 1959 of $5,314,234 was 41% higher than 1958's net of $3,768,052. Earnings per common share were $2.14 ($1.54).

Customers for natural gas numbered 176,254 and for electricity 44,055 at year-end, compared with 163,121 and 41,592 respectively at the end of 1958.

Gross capital expenditures of subsidiaries, Canadian Western, Northwestern, Canadian Utilities and North West Fidelity totaled $11.9 million and are estimated at $10.5 million for 1960.

Principal item in the 1960 program of Canadian Utilities is $810,000 in connection with a new 30,000 kw gas turbine to be installed at the Vermilion plant. Total cost of this installation, scheduled for completion late next year, is estimated at $2.3 million.

Outstanding capitalization at Dec. 31, 1959, consisted of 350,000 $2 convertible preferred shares, $25 par, and 2,460,180 shares, $5 par.

Funded debt of subsidiaries totaled $62,821,500.

Jamaica Public

Jamaica Public Service Ltd. is a Canadian holding company formed to take over the common stock of **Jamaica Public Service Co. Ltd.**, principal supplier of electricity in Jamaica. The subsidiary operates in 12 of the 14 parishes.

Operating revenues of the subsidiary in 1959 were £2.11 million against £1.84 million in the preceding year. Net profit increased from £442,360 to £522,599.

Earnings applicable to common stock of the parent company, an a pro forma consolidated basis, were $1,254,665 or $3.10 a common share, converted at $2.67 to £1. This compares with $1,035,920 ($2.56) in 1958.

Parent company reports net profit of $324,065 (subject to audit) or 80c a share against $263,647 (65c) for 1958.

Capital expenditures were a record of £1.6 million in 1959. In August construction was started on a new 15,000 kw generating unit at Hunts Bay. A similar unit began operation in December, 1958. A 6,000 kw hydro plant at Maggotty was completed.

Parent company's common stock was split three-for-one in 1958, resulting in authorized capitalization of 540,000 npv shares with 405,000 issued and outstanding.

Shareholders of record April 22 were given right to subscribe for additional shares at $25 a share on the basis of one new share for

(Continued on page 72)

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B. C. Power Cos.

In British Columbia, 199,000 hp of new capacity was brought into operation last year, to be matched by additional capacity totaling 198,000 hp this year. Other projects, totaling 229,200 hp, are already planned for development in later years.

B. C. Electric

British Columbia Electric Co., Vancouver, is a wholly owned operating subsidiary of British Columbia Power Corp. Its operations include distribution of gas and electricity, and interurban bus transportation, west of the Rockies.

In 1959, 3,300 million kwh of electricity were sold. This represented an increase of three times volume sales in 1957 and nine times volume sales in 1949.

Consolidated net profit of $16,066,527 for 1959 was 17.4% higher than 1958's net of $13,683,838.

Gas consumption in plants in 1959 was 140 million therms, roughly nine times the amount used in 1949 and three times the 1957 amount.

To meet the continuing growth of electric load, company brought into service the first of two units of the second-stage development of Bridge River. Completion of the remaining two units this year, will raise this hydro plant addition to 360,000 hp.

The Port Mann gas turbine plant was commissioned in 1959. Construction of the Burrard Steam Plant, with an ultimate capacity of 1.2 million hp, continued and the first 200,000 hp unit is scheduled for service in 1961.

To handle needs beyond this capacity, the Peace River is still under study by the **Peace River Development Co.** The situation with respect to the Columbia is still not clear and negotiations between Canada and the U. S. continue, President A. E. Grauer reports.

Gas sales continue to rise. Of 7,300 houses built in Greater Vancouver in 1959, some 90% were equipped with gas furnaces. By year-end there were 108,327 gas customers in the company's service area, and on the mainland 80% of the homes were within economic reach of the natural gas system.

Capital expenditures in the 1960 expansion program will be $72 million. Over $58 million will be spent to expand electric facilities and to provide increased service. The biggest single project is the continued construction of the Burrard steam generating station.

To help provide funds for the program, company issued $30 million 6½% first mortgage bonds, series O, on Apr. 1, 1960, due Apr. 1, 1990.

B. C. Hydro

British Columbia Power Commission, Victoria, construction program during the 1959-60 fiscal period emphasized line extensions which brought a provincial electrical "grid" closer to reality.

Commission has been striving to replace diesel plants serving growing central interior region communities. During the past year about 200 miles of transmission line was added which resulted in the retirement of four sizable diesel operations.

Power is now being transmitted via a 60,000-volt line from the generating station at Prince George to the communities of Vanderhoof and Fort St. James. A distribution extension, constructed for eventual transmission use, stretches 35 miles west of Vanderhoof to Endako.

Construction will begin this summer on 138,000-volt transmission line which will carry initially 66,000-volt power from an **Aluminum Co. of Canada** sub-station at Kitimat 42 miles northeast to Terrace. The line will retire the present diesel plant at Terrace. Surveys are being made of the feasibility of further extending the line to Smithers. If this is done, less than a hundred transmission miles will separate Kitimat and Prince George.

During the fiscal year a transmission line was extended south to 100-Mile House and plans are being made to connect Prince George and Quesnel by high voltage lines.

Extension of transmission lines, retirement of diesel plants and rapid load growth in Commission's central interior administrative area have forced expansion of large natural gas burning generating stations at Dawson Creek, Prince George and Quesnel. Expansion of the stations, under way or scheduled for this year, will push the output of the stations to 17,000, 21,000 and 18,000 kw respectively.

With the expansion of the interior thermal plants, the commission, with a generating capability of 450,000 kw, expects to be able to meet the predicted needs of its customers in all areas in the immediate future.

Commission now serves 85,000 customers in some 250 communities.

Canada's power producers brought more new hydro-electric generating capacity — 2,508,800 hp — into operation last year than in any previous year. Other installations with a capacity of four million hp are either under construction now or in active prospect for development.

B. C. Power Corp.

British Columbia Power Corp., Vancouver, is a public utility holding company supplying, through subsidiaries, gas, transportation and electricity to a large portion of the lower British Columbia mainland.

Chief operating subsidiary is **British Columbia Electric Co.**

Gross revenue increased 16% in 1959 to $96,923,531. This was due to full-year effect of the 1958 rate increases in electricity and transportation, and to a general improvement in business conditions, states President A. E. Grauer.

Consolidated net earnings rose 27% to $11,271,492, or $2.48 a share in 1959 from $8,876,483, or $1.95 in 1958.

Operating income in 1959 represented a return on investment of approximately 5¼%, compared with 5% in the year before.

Electricity customers rose by 13,330 to 333,238 at the end of 1959. Average consumption rose 5% to 4,717 kwh.

Gas business increased with 16,271 new customers bringing the total at year-end to 108,233. This was due to an increase in customers for natural gas on the mainland. There was a nominal decrease in the number of customers on Vancouver Island.

A 10% decrease occurred in the total number of passengers carried by company's transportation system. Due to fare increases, revenues rose by 5.5%. Freight tonnage increase of 4.2% was offset by a higher proportion of lower rated tonnage, and caused a revenue increase of one tenth of 1%.

During the year company raised a total of $67,073,635 through sale of bonds, debentures and shares. Net additions to plant and equipment amounted to $72,432,595, less retirements of $7,281,494. Long-term debt was $372.6 million at Dec. 31, 1959.

Capital expenditures totaled $72.4 million compared with $83.8 million in 1958.

Study of the Peace River as a possible major source of energy in the future continued.

East Kootenay

East Kootenay Power Co., Fernie, B.C., supplies electricity to the Crow's Nest Pass area of British Columbia and Alberta. It administers distribution systems serving Michel, B.C., and Coleman, Alta.

Power to serve coal mines and lumber mills in the area is developed in two hydro-electric plants in B.C. and a steam generating unit in Alberta.

At last report, a total of 666 customers were served directly and a further 7,500 customers indirectly. The former result from wholesale delivery to Fernie, Kimberly, Cranbrook and other communities in the area.

Output in the year ended March 31, 1959, was up 6% to 89.5 million kwh from the previous period.

Total of 300 miles of transmission lines and 100 miles of distribution system are maintained by the company.

Net profit of $118,780 in the fiscal year ended March 31, 1959, was down 6.5% from previous period's $126,786. Gross revenue at $878,784 was down from previous year's $936,786.

Profit for nine months ended Dec. 31, 1959, of $81,638 was 28% higher than in the similar period a year earlier.

West Kootenay

West Kootenay Power & Light Co., Trail, B.C., and its subsidiaries own and operate hydro-electric generating plants and distribution systems in south central British Columbia. The area served lies within a 150-mile radius of Rossland.

Company is a wholly-owned subsidiary of **Consolidated Mining & Smelting Co.**

Consolidated net profit for 1959 was $853,518 compared with $837,298 in 1958. Further financing for capital extensions carried out during the year was required, and an advance of $330,000 was arranged with parent company.

Power purchases were appreciably higher than the previous year, due to load growth. Excess requirements continued to be purchased from the power system of parent company.

Total sales of energy amounted to 306.7 million kwh, as compared with 279.2 million kwh in 1958. Number of customers increased to 36,025 at year-end, of whom 22,756 were served directly and 13,269 through facilities owned by other distributors. The overall increase during the year was 1,402 customers.

Overall rate of growth in load amounted to 9.8%, as compared with 3.4% during 1958. Mine load increased 5.9% and the remainder 10.4%.

Additional facilities became available with completion last summer of the 33,000 kva F. A. Lee terminal substation near Kelowna. To provide alternate means of supplying the Penticton area load, additional transmission line was constructed.

Transformer capacity of various substations was increased to meet increased power demand at Creston, Okanagan Falls, Keleden, Greenwood and Cascade.

During the year 28 miles of distribution pole line, five miles of distribution circuits and 5,100 kva in distribution transformers were added.

Radio communications continued to be improved and extended by providing additional repeater facilities at South Slocan, Santa Rosa Mountain and Greata Mountain.

POWER and PAPER

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Prairie Power Cos.

Significant increases were made in thermal-electric installations to meet the expanding demand of the Prairie Provinces last year.

Alberta Power

Alberta Power Commission, Edmonton, organized in 1944, is a regulatory and supervisory organization to oversee power development in the province of Alberta. It does not own or operate any power plants or distribution systems.

Kilowatt hours generated in the province during 1959 increased by 14% to 2,830 million, with thermal plants increasing their output to generate 70% of this. Peak load increased by 13% to 652,000 kw.

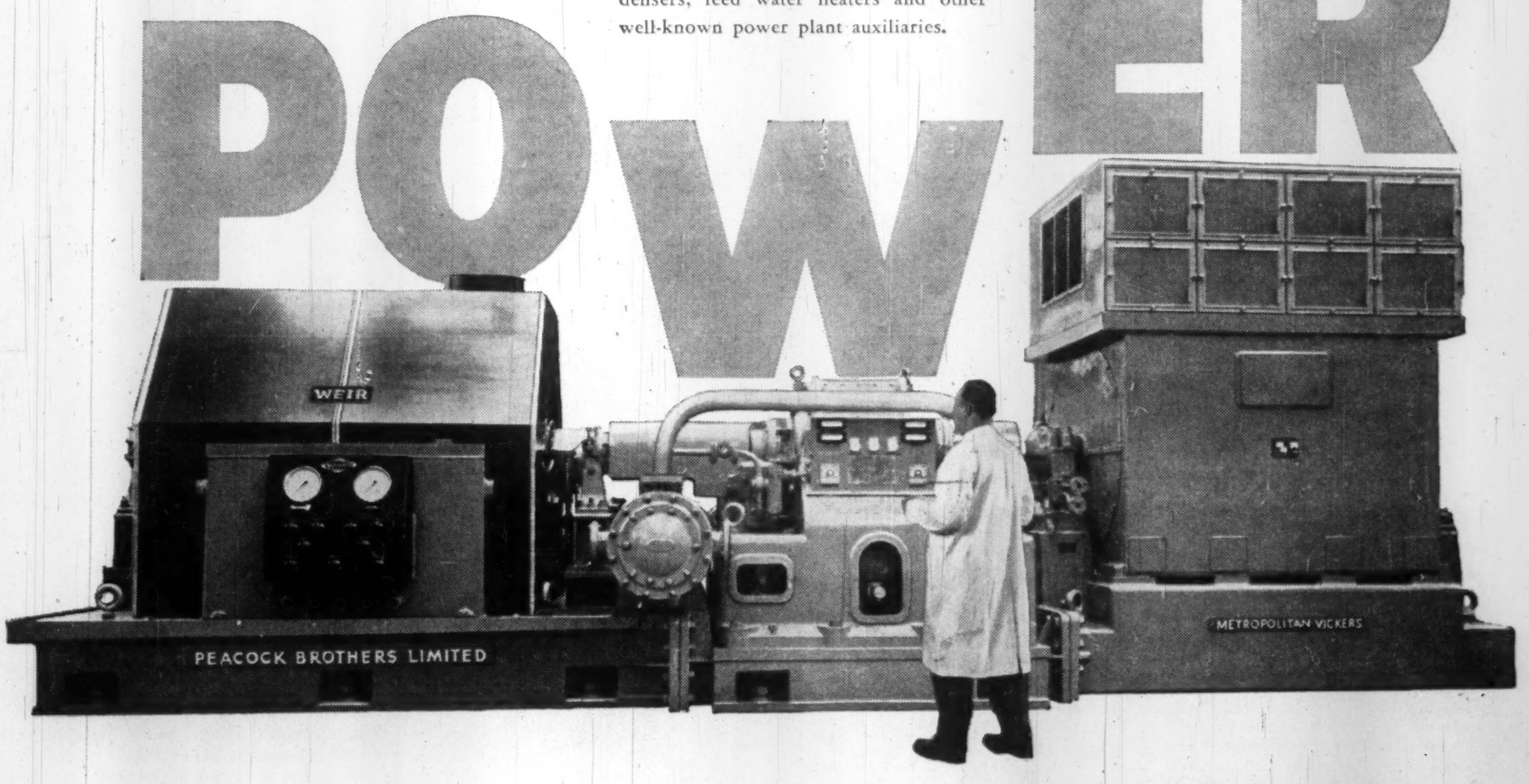
Number of customers served reached 336,000, an increase from 311,000 at the

(Continued on page 56)

ILLUSTRATED is one of six Weir Size EF-100, 9-stage boiler feed pumps for Ontario Hydro's Richard L. Hearn Station —largest thermal generating station in Canada. Each pump is capable of delivering 735,000 pph of feed water at 2,300 psi. Metropolitan-Vickers motors—Vulcan-Sinclair hydraulic couplings. Consultants: Stone & Webster Canada Limited.

Representing the world-wide Weir organization for many years in Canada, Peacock Brothers Limited bring their own sixty years' experience to the application of Weir boiler feed pumps, condensers, feed water heaters and other well-known power plant auxiliaries.

POWER



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Prairie Power Cos.

(CONTINUED FROM P. 55)

end of the previous year. Included in these customers are over 50,000 farmers.

Transmission lines in the province including company-owned farm lines reached a total of 12,642 miles by the year-end. Farmer - owned lines totaled 35,047 at Dec. 31, 1959.

During 1960 the city of Edmonton is expected to commission a steam turbine of 75,000 kw. The city of Lethbridge similarly will install a 10,000 kw gas turbine, while **Northland Utilities Ltd.** expects to bring a 3,000 kw internal combustion engine on the line.

Calgary Power Ltd. is expected to add 80,000 kw of capacity in its Spray and Rundle hydro plants. That company is also commencing the installation of 150,000 kw coal-fired steam unit which is expected to be in service in its Wabamun plant during 1962. Canadian Utilities has placed an order for a 28,000 kw gas turbine which should be ready for service in its Vermilion plant in 1961.

Calgary Power

Calgary Power Ltd., Calgary, owns 11 hydro-electric generating stations on the Bow River system in Alberta, with an installed capacity of 309,450 hp, and a steam plant at Wabamun west of Edmonton, with a capacity of 176,000 hp.

A transmission line through the Elk Pass serves Southern Alberta. The British Columbia portion of this line is owned by **Kanell Transmission Co.,** a wholly-owned subsidiary.

Main transmission system of approximately 4,895 circuit miles extends from a point 100 miles north of Edmonton to within a few miles of the U.S. - Canada border.

In addition, company has 3,229 miles of distribution lines, excluding rurals.

Net profit from operations in 1959 was $5,598,235, compared with $5,215,540 a year earlier.

Gross revenue in 1959 increased 15% to $23.3 million.

Load supply increased 16.7% to 1,848 million kwh. This compares with an average rate of load growth of 13.6% per annum over the last 20 years.

Agreement was reached in September with the city of Calgary for a contract covering the city's entire power requirements up to 300,000 kw. This contract extends to Aug. 31, 1973, with purchase from the company of power in excess of this amount being subject to further negotiation, and at the option of the city. During 1959, city's maximum demand was 139,000 kw.

Planned expansion to the Spray and Rundle hydro plants totaling 80,000 kw will be completed by fall of this year. A 150,000 kw unit at the Wabamun thermal plant is scheduled for completion late in 1962. This unit will be coal-fired.

A 33 cu. yd. dragline has been ordered for delivery in 1961 in order to open up the Wabamun strip coal mine which is to supply the plant with fuel.

A modified program of development for the Brazeau project has been formulated so that 30% of the ultimate storage will be available to alleviate pollution in the North Saskatchewan River for the winter of 1962-1963. The program would defer a large part of the cost of the reservoir for a number of years until the additional storage is required. The initial power will not be required until 1963, or later.

Cost of utility plant at year-end was $132 million, compared with $122 million a year earlier. Company spent $10.5 million on facilities in 1959 and has planned to spend $22 million this year.

A high demand for electric service continues from the oil industry. Last year, service to oilfield secondary recovery schemes again increased.

At year-end company had 105,959 customers, compared with 70,947 a year earlier. Town retail customers increased from 48,718 to 67,345. Rural connections climbed from almost 20,000 in 1958 to 32,480 at end of 1959. Industrial customers, totaling 6,127, almost tripled during 1959.

In addition, company serves indirectly 84,596 customers through wholesale contracts.

A five-for-one stock split was approved by common shareholders last November. At that time 1.5 million npv common shares were authorized, 1,050,000 were outstanding.

Following the split, capitalization consisted of 150,000 $100 par preferred shares (120,000 issued) and 7.5 million common shares (5,250,000 issued).

Cdn. Utilities

Canadian Utilities, Ltd., Edmonton, is engaged in the generation, transmission, distribution and sale of electrical energy for light, heat and power purposes in three main service areas in Alberta, extending between the British Columbia and Saskatchewan borders.

Company operates three subsidiaries: **McMurray Light & Power Co.,** which serves the town of McMurray, **Yukon Electrical Co.,** and **Yukon Hydro Co.,** which serve the communities of Whitehorse, Haines Junction, and Watson Lake in the Yukon Territory.

Company serves 387 communities with a population of 136,000 (115,000 at Dec. 31, 1958).

Sales of electricity totaled 216,904,000 kwh (183,676,000 in 1958).

Customers totaled 44,055 at year-end, an increase of 2,463 during the year. Service was extended to an additional 984 farms, bringing total farms served to 11,798.

Gross capital additions totaled $2,858,000. Company added 250 miles of line to its transmission and distribution system.

During the year, company purchased a block of 250,000 shares in the **Peace River Power Development Co.** and has a contingent commitment to purchase an additional 385,000 shares.

Company purchased the generating plant and distribution system of Hudson Hope, B.C., which is adjacent to the site of the proposed Peace River development.

The generating plant and distribution system at Fort Chipewyan on Lake Athabasca were completed.

The expansion program for 1960 will approximate $3,230,000, which includes completion of 85 miles of 69,000 volt transmission line from the Sturgeon plant to the Swan Hills area; extension of a second 69,000 volt circuit 28 miles to Cold Lake Airport in the Vegreville service area; preliminary expense in connection with the 30 megawatt gas turbine generator to be installed in the Vermilion plant in 1961; and extensions and improvements of the existing system.

Consolidated net profit for 1959 totaled $1,436,032. This was 25% higher than the $1,151,553 for 1958. Earnings per common share were $1.85 ($1.40 in 1958).

Outstanding capitalization at Dec., 1959, included 40,000 5% preferred shares, $100 par; 15,000 4¼% preferred shares, $100 par, and 633,332 npv common shares. Dividends per common share in 1959 amounted to $1.10 (70c in 1958).

Manitoba Hydro

Projects that will increase the generating capacity of Manitoba Hydro - Electric Board, complete the interconnection of the Board system with that of the **Saskatchewan Power Corp.** and provide simplification of terminal station control were the high priority undertakings of the board in 1959.

The board is the primary generating and high transmission agency in the province.

Installation of generating and auxiliary equipment at the Selkirk thermal generating station was well advanced, work programs were maintained and this station will be on line this summer.

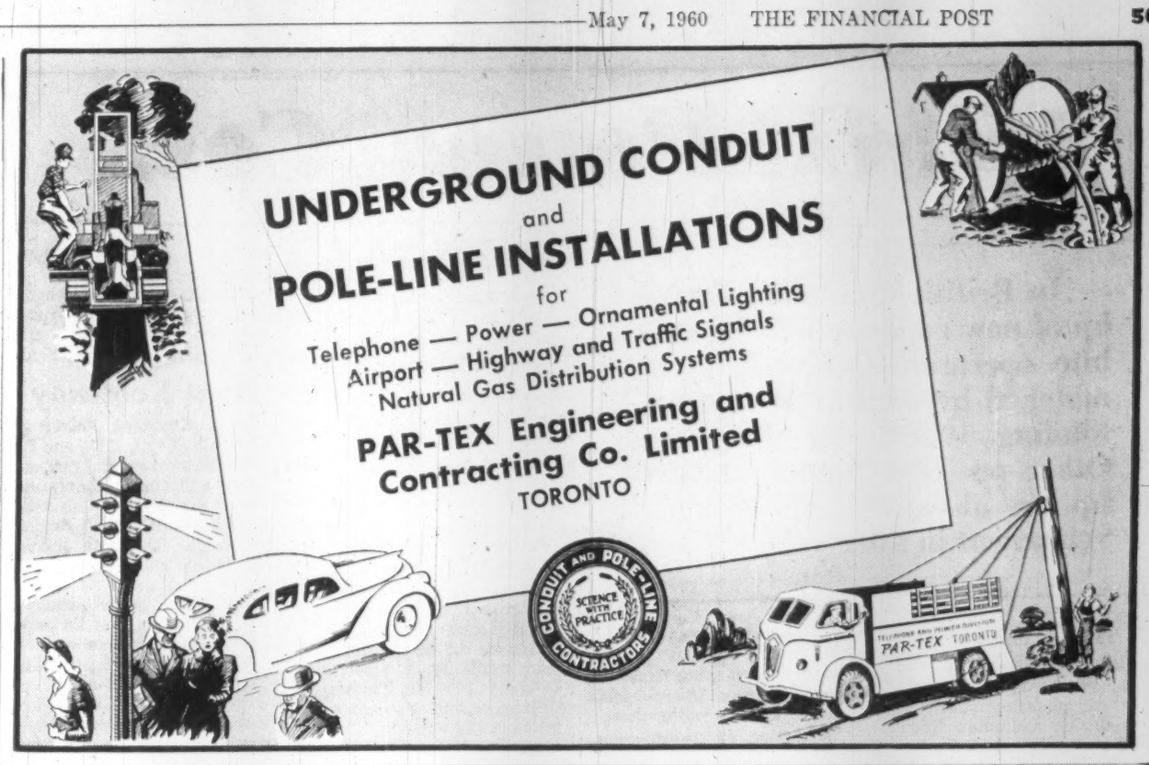
Completion of the project will add another 132,000 kw generating capacity to the board's southern Manitoba system.

Lignite coal from the Estevan coal fields in Saskatchewan will be used to fire the two 66,000 kw steam turbines. The station is situated on a 450-acre site and services are such that it may in time be increased in capacity to one million kw.

In the initial planning, provisions were made to introduce nuclear reactors should the economics of atomic power prove favorable.

In northern Manitoba, despite a $1 million fire at the Kelsey generating station, a hydro development on the

(Continued on page 57)



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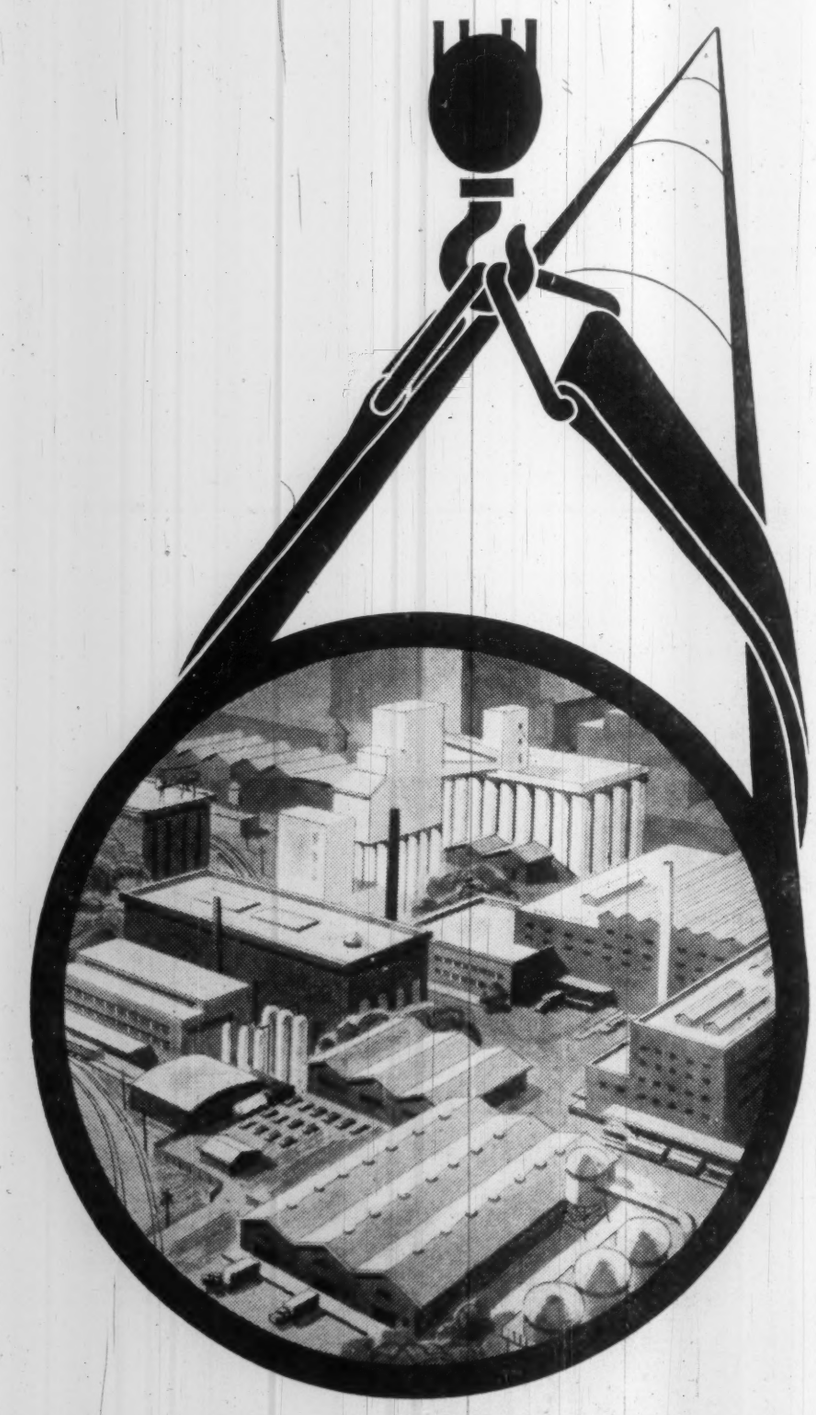

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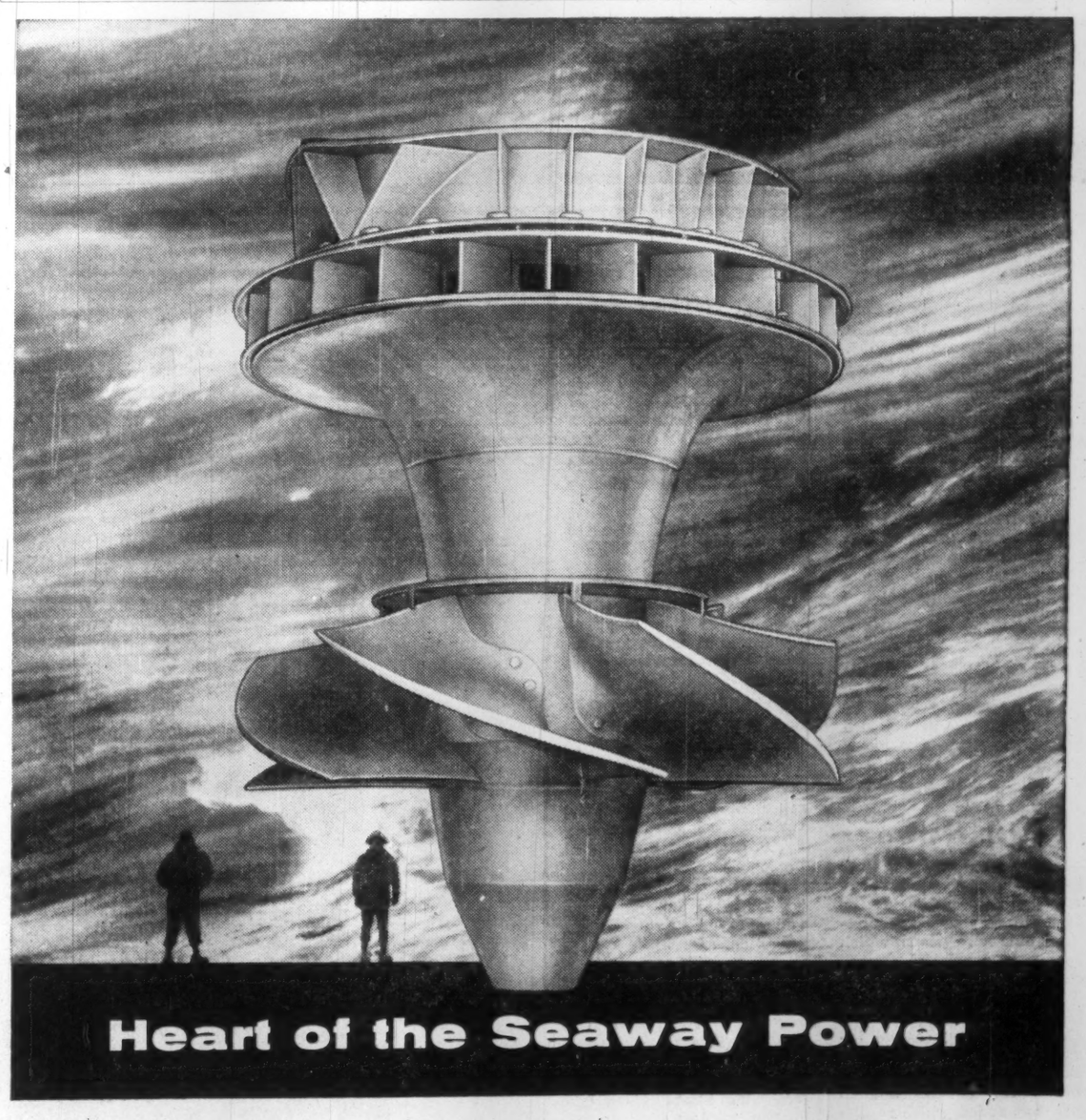

This giant fixed blade propeller runner is one of 16 such units buried deep below water-level at the Barnhart Island Power Station — truly the Heart of Seaway Power. Each of these English Electric designed installations is capable of developing approximately 75,000 H.P. Another 11 fixed blade propeller runners will soon be in operation at the Beauharnois Power Station, on the South Shore of the metropolitan area of Montreal.

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Prairie Power Cos.

(CONTINUED FROM P. 56)

Nelson River, 425 miles north of Winnipeg, the station will come into operation this year with an initial stage capacity of 168,750 kw. It will supply power to the Thompson nickel development of **International Nickel Co. of Canada.**

Good progress was recorded on the Manitoba - Saskatchewan inter-connection 172-mile tie-line. The line will provide the means of transmitting power to or from Saskatchewan, through Manitoba as far east as Ear Falls east of Fort William, Ont. The Manitoba and the northwestern Ontario systems were interconnected four years ago. Greater reliability and economic advantage through the interconnection are foreseen by the utilities.

Forecasts indicate that completion of these projects will ensure Manitoba's power requirements until 1963. New sources of power will be required by 1964 and the board has development plans for the Grand Rapids site on the Saskatchewan River.

This hydro development, when completed, will increase generating capacity of southern Manitoba system by 328,000 kw. Initial plans call for the installation of four 82,000 kw generators. Estimated at $140 million, the project will be the largest hydro-electric development undertaken to date in Manitoba.

Capital expenditures in fiscal year ending March 31, 1960, surpassed $32 million and a capital budget of $24 million has been estimated for the current fiscal year.

Load growth in the province has continued to increase and last year's output exceeded the preceding year in excess of 400 million kwh.

Micro-wave and multiplex equipment were installed in 1959, strengthening the communication and telemetering systems of the utility.

As a tool of forward planning, an A.C. network calculator was installed in 1959 at a cost of $250,000.

Undeveloped hydro resources of Manitoba, estimated at three million kw are confined to the northern part of the province.

Manitoba Power

Expansion in the north and a continued program of improving and bolstering its system were highlights of the Manitoba Power Commission's 1959 activity.

Responsibility was assumed for supplying electrical service to 9,478 additional customers during the year. Steady load growth throughout the province resulted in 11.3% increase in the amount of energy distributed from 1,468 million kwh to 1,634 million kwh. Total of meters on the system now stands at 205,388.

In the northern section of the province, an accelerated program took place. Near The Pas, generation and distribution facilities, acquired in late 1958, a farm electrification program was completed and service extended.

Also receiving power from the commission are residents of Cranberry Portage, and the residents of the mining town of Thompson.

In southern Manitoba, responsibility was assumed for the direct supply of power to consumers in the town of Selkirk and a major extension was built to serve additional summer cottages in the Whiteshell Forest reserve.

The commission's investment in transmission and distribution facilities increased by $8.8 million during 1959.

Some 240 miles of line were relocated to accommodate road building projects. A new high voltage line which will interconnect the Manitoba and Saskatchewan systems is being built by commission personnel for the Manitoba Hydro - Electric Board.

The first major underground distribution system in the province was undertaken in the Winnipeg suburb of Fort Garry. Planned jointly with the Manitoba Telephone System, whose service will also be underground, the residential sub-division contains some 180 lots. The higher cost of this type of service was borne by the developer.

During 1959, the commission worked with municipal officials in 132 communities, resulting in the installation of 2,315 new street lights.

On Aug. 31, 1959, commission discontinued the retail sale of electrical appliances. However, it is continuing with an active program to promote the use of electrical service in co-operation with appliance dealers.

Further extension of facilities and improvements to the system are planned for 1960. Capital expenditures of $7.4 million will be made during the current year. Arrangements have been completed for the commission to supply service to the townsite at Churchill in northern Manitoba in 1960.

Net profit of $938,530 for fiscal year ended March 31, 1959, was 25% lower than previous period's $1,250,739.

National Light

National Light & Power Co., Moose Jaw, Sask., distributes electric light and power to Moose Jaw and surrounding districts. Its exclusive franchise in that city is effective until the end of this year.

Company also sells electricity wholesale to provincially-owned **Saskatchewan Power Corp.** Capacity of plant is 36,000 kw, with auxiliary steam equipment. Between 7,000 and 8,000 meters are connected to company's system in Moose Jaw and surrounding farm districts.

Gross operating revenue for 1959 was $1,841,667 compared with $1,892,736 in previous year.

Earnings before depreciation and income taxes, but after interest of $119,940, amounted to $740,052 compared to 1958's $764,173.

Northland Util.

Northland Utilities Ltd., Edmonton, directly and through subsidiaries transmits and distributes natural gas and electric power in the Peace River area of western Canada.

Company also has a management contract and holds a controlling interest in a generating and distribution system at Uranium City, Sask.

Consolidated net profit for 1959 was $362,923, up 18% from 1958's $307,520.

Capital expenditures for the year amounted to $2.5 million. In the electric division expenditures included the purchase of electric utilities at Fort Nelson and Valemount, B.C., the installation of a 4,500 hp gas generating unit at the Fairview plant, and the construction of a new electric generating plant at Lac La Biche. To meet the electrical requirements of the Peace River area, company plans to install a 4,500 hp gas generating unit at Fairview this year.

In the gas division, the principal expenditures were construction of a 50-mi. gas transmission line and distribution system at Jasper, the construction of an 18-mi. gas transmission line and distribution system for the town of High Prairie, and the construction of the gas transmission line from wells five miles east of Lac La Biche to the new power plant there.

In the electric division, total sales of 33 million kwh represent an increase of 23% over those of 1958, while operating revenue of $1,625,952 shows an increase of 17.5%. Electric customers served increased 604 to a total of 9,869. The total of 2,045 farm customers served at year-end

(Continued on page 58)

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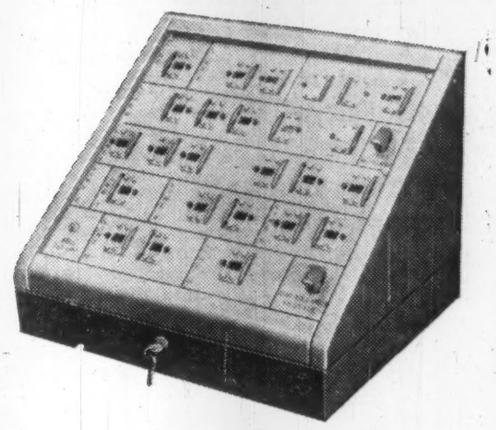

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POWER PROJECTS RECENTLY UNDERTAKEN BY SANDWELL OR ASSOCIATED COMPANIES:

1 Study of hydro-electric potential of Homathko River system for British Columbia Power Commission, and recommendations for its development (Sandwell and Electro-Watt)
2 Thermal power plant for Khulna newsprint mill, East Pakistan (Sandwell)
3 Gas turbine electrical generating station for British Columbia Power Commission, Chemainus, British Columbia (Sandwell and Electro-Watt)
4 Thermal power plant at Goalpara, East Pakistan, for Canadian Colombo Plan (Hanright)
5 Mauvoisin Arch Dam — 785 feet high, Switzerland (Electro-Watt)
6 Goeschenen Rock Fill Dam — 482 feet high, Switzerland. To be completed 1960 (Electro-Watt)
7 Transmission tower — 144-mile Dacca-Chittagong Interconnector, East Pakistan (Hanright)
8 Queen Elizabeth thermal power plant, Saskatoon, for the Saskatchewan Power Corporation (Hanright)

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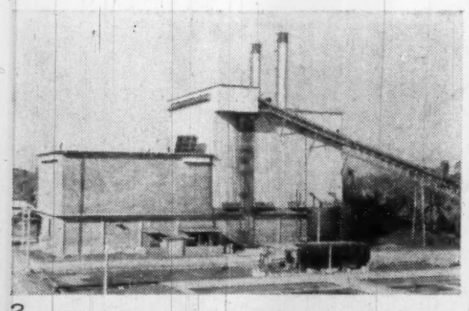
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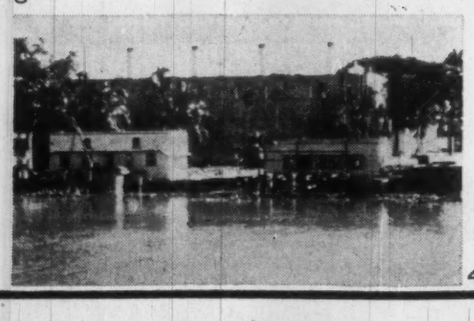
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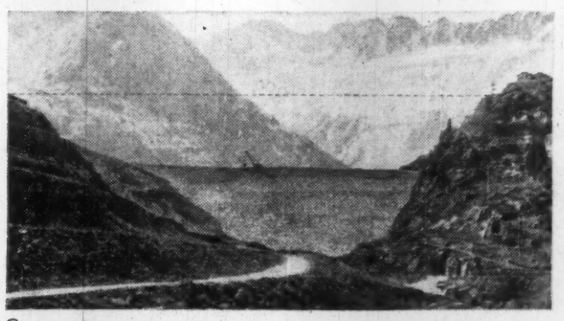
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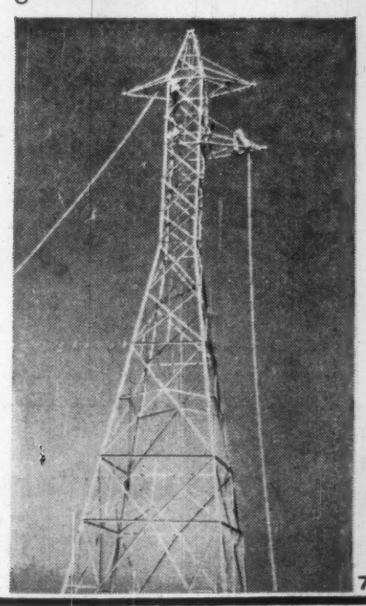
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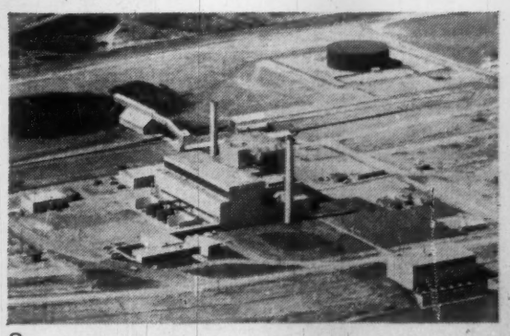
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Ontario Power Companies

In Ontario, new hydro-electric capacity amounting to 831,300 hp was placed in service in 1959. With the St. Lawrence Seaway power project virtually completed, the total amount of new capacity to be put into service this year will dwindle to 26,500 hp, but an additional 266,500 hp is already scheduled for succeeding years.

Thermal-electric generation will increase rapidly in importance, as an Ontario power source. New thermal capacity of 268,000 hp was installed last year, while construction is proceeding on additions totaling 2.8 million hp to come into operation over the next few years.

Great Lakes Pr.

Great Lakes Power Corp., Sault Ste. Marie, Ont., through its subsidiary Great Lakes Power Co., supplies hydro-electric power to **Algoma Steel Corp., Abitibi Power & Paper, Algoma Ore Properties Ltd., Mannesmann Tube, Union Carbide,** one gold mine, two lumber mills and a number of smaller industries.

Company also supplies wholesale power for distribution in the city of Sault Ste. Marie. It further retails power in some 25 nearby communities.

Demand for energy in company's territory continued to increase. To meet the demand, an expansion program started several years ago, was completed in 1959.

The Hollingsworth Falls plant, completed under the program, adds 23,000 kw to company's system. Water storage facilities were increased by 60% to a new capacity of 790,000 acre-ft. This storage will stabilize productive capacity during dry periods and augment output of company's three downstream plants along the Michipicoten River. Further expansion is being studied.

Power is now produced in eight hydro-electric generating stations with an aggregate capacity of 175,800 kw, all interconnected by 307 mi. of transmission lines. In addition, water to develop 12,500 hydraulic hp is sold to Abitibi from company's power canal at Sault Ste. Marie. Company added 15 mi. of distribution lines to its system, making the total 568 miles at the end of the year.

Great Lakes entered into a contract in 1957 to purchase up to 35,000 kw from Ontario Hydro. This power will be delivered at company's Rayner station, about 47 mi. east of Sault Ste. Marie.

Company developed during the year a 230 kv transmission line between Rayner station and Tarentorus substation. Switching facilities will be completed in the course of this year. The line is not included in total transmission line mileage.

Net profit of $993,520 in 1959 was 22% higher than 1958's $814,086. Net profit per share of $2.22 compares with $1.80 in 1958.

Ontario Hydro

For the second successive year, Ontario Hydro-Electric Power Commission brought a record total of new generation — 820,000 kw — into service.

Frequency standardization and the St. Lawrence power project were practically completed.

Total resources, including power purchased, reached a record 6,154,700 kw, and total energy output was 35,500 million kwh, 12.8% higher than in 1958.

Peak power demands of 5.6 million kw were made by more than 1.8 million customers served directly or indirectly through Hydro's associated municipal utili-

(Continued on page 59)

Prairie Power Cos.

(CONTINUED FROM P. 57)

represented an increase of 16% since the end of 1958.

In the gas division, total sales of 2.5 million mcf represent an increase of 13% over those of 1958, while operating revenue of $1,296,392 showed an increase of 18%. Gas customers served during the year increased by 832 to a total of 7,393.

Sask. Power

Saskatchewan Power Corp. is a crown corporation generating and distributing electric power and distributing natural gas.

During 1959 corporation increased generating capacity substantially and effected important extensions to its high-voltage transmission lines.

Major extensions were made to the natural gas transmission grid in addition to construction of new urban distribution systems. During the year a 10-inch line from Success to Rosetown was completed, allowing the first interconnection between the northern and southern grids and bringing the system to the point where natural gas from any source can be moved to any centre served.

Electrical energy generated and purchased increased by 17.4% over the previous year, while the system's peak demand increased by 9%. Purchases of natural gas during 1959 amounted to 29,450 million cu. ft., compared with 19,590 million cu. ft. in 1958.

Revenue for the year was $34,620,000 or some 22% above the previous year. Net income was $3,015,000 compared with $3,337,795 in 1958. Depreciation allowance and interest charges largely account for the drop.

Total number of corporation's customers reached 221,785 by last year-end, consisting of 162,448 electricity and 59,337 gas customers.

Last year saw the official opening of the new Queen Elizabeth power station at Saskatoon, following installation of the station's second 66,000 kw unit, bringing installed capacity to 132,000 kw.

Plans were announced for construction of a 201,000 kw hydro-electric power station at Squaw Rapids on the main Saskatchewan River, 40 mi. northeast of Nipawin. Four units totaling 135,000 kw are scheduled for 1963 and two additional ones for 1964.

Some 214 mi. of 138,000-volt line and 165 mi. of 72,000-volt line were completed. Considerable work was done on the Saskatchewan portion of the high-voltage interprovincial interconnection system being built between Boundary Dam and Brandon, Man. Pole-setting was completed and about 45 miles of conductor was strung.

Corporation completed arrangements to purchase the Weyburn municipal electrical system and planned starting service to that community early this year. Service was also extended to 14 other urban communities.

At the end of the year, rural customers served totaled over 55,000. At the beginning of the year a new rate structure was introduced for small non-residential customers.

Early in 1959, contracts were signed with two gas producing companies, **Britalta Petroleums** and **Crescent Oil & Gas Corp.,** operating in the Many Islands field of Alberta, under which corporation undertook to purchase gas in the field.

Major gas links were built from Regina to Yorktown, and from St. Louis to Tisdale, adding a number of urban centres in these areas to the system. An existing butane-air gas system at Melville was purchased and converted to natural gas.

The gas field and town distribution system at Unity was also purchased and added to the corporation's lines.

Construction of the gas distribution system at Yorkton brought the province to the stage where all its cities now have natural gas service. At year end, 70 urban centres were served.

Winnipeg Hydro

City of Winnipeg Hydro-Electric System supplies light and power to the city of Winnipeg only.

It obtains power from its hydro electric generating plants at Pointe du Bois and at Slave Falls, and the Amy St. steam turbine plant which have a total generating capacity of 203,700 hp. Additional power requirements are purchased from the Manitoba Hydro-Electric Board.

Since 1955, City Hydro has been the sole distributor of electricity in Winnipeg; number of services supplied at the end of 1959 totaled 184,460.

Net profit in 1959 was $1,129,979, compared with $1,139,643 in 1958. Sales of energy amounted to over $11 million.

Good progress is being made on a $7 million program to modernize the Pointe du Bois hydro-electric plant which is nearly 50 years old. When completed, the work should add 20 years to the life of the plant.

One new substation was completed in 1959. Another 40,000 kva station is now under construction and will cost an estimated $715,000. Two more substations are in the design stage.

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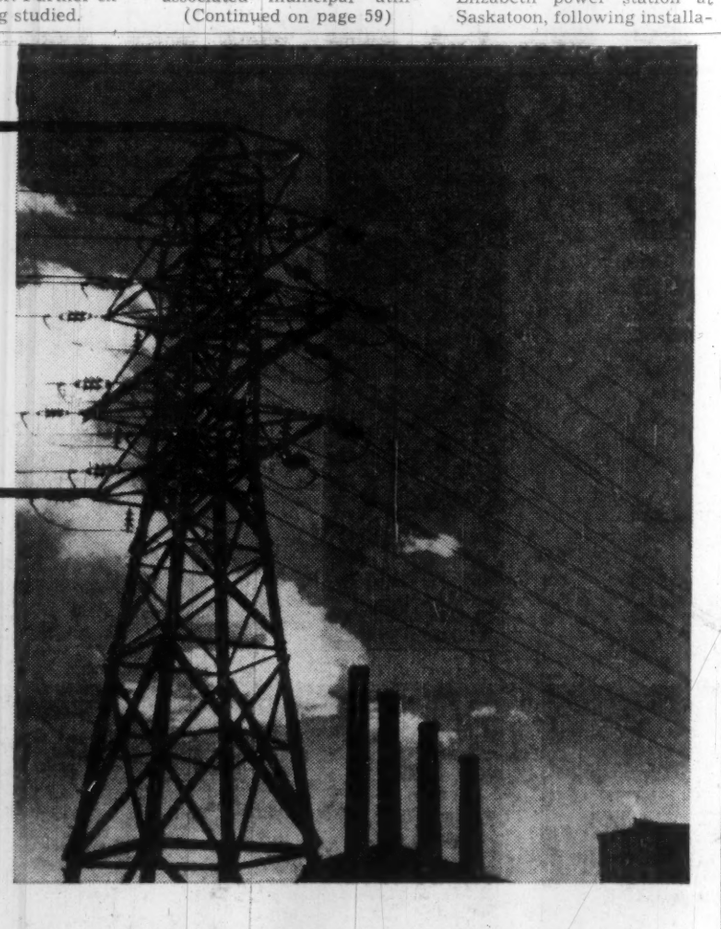

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Nova Scotia	—Canada Electric Co., Limited
Ontario	—The Hydro-Electric Power Commission of Ontario
Manitoba	—City of Winnipeg Hydro-Electric System
Manitoba	—The Manitoba Hydro-Electric Board
Saskatchewan	—City of Regina
Saskatchewan	—Saskatchewan Power Corporation
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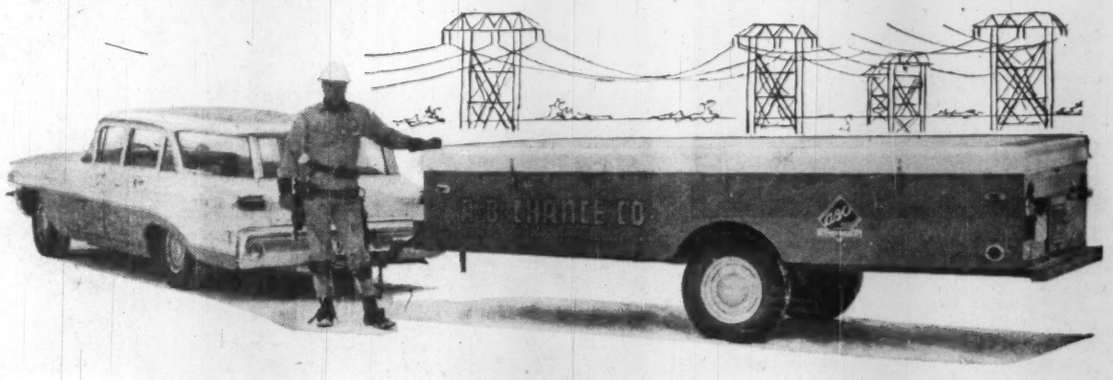

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6003

Ontario Power Cos.

(CONTINUED FROM P. 58)

ties. This was an 8.1% increase over 1958, compared with the long-term annual average of 6.5%.

Net revenues of $212,627,000 exceeded the $200 million mark for the first time. Assets rose to more than $2,545 million.

The 10-year frequency standardization program, involving the change-over of more than seven million pieces of electrical equipment from 25 to 60 cycles, was completed five years ahead of schedule.

The St. Lawrence power project was brought to a close with the placing in operation last December of the sixteenth and final unit of the Robert H. Saunders-St. Lawrence Generating Station. The plant has a 940,000 kw capacity.

During 1959, Hydro operated 68 hydro-electric and two major thermal-electric stations, 131 transformer stations and 598 distribution stations.

Added to its transmission system during the year were 214 miles of line, bringing the total to 17,713 miles.

Hydro supplied power directly to 491,070 rural customers over 47,350 miles of distribution line. During 1959, number of rural customers increased by 18,467 and 912 miles of rural line were added.

The 354 municipal electrical utilities associated with Ontario Hydro served 1,334,000 customers. These municipalities purchase power at cost from Hydro and retail it to their customers over their own distribution systems.

Industrial customers and interconnected systems served directly by Hydro increased by nine to 227.

In southern Ontario, the first of four new 200,000-kw units was installed at the Richard L. Hearn thermal plant in Toronto early in 1959. The second unit was installed this January and the last two are scheduled for service by the end of 1960, giving the plant a capacity of 1.2 million kw.

A few miles west of metropolitan Toronto, the Lakeview generating station — world's largest thermal electric project — is under construction. Installation of two more 300,000 kw units was authorized during the year, bringing the total now definitely scheduled to four.

The first unit will begin producing power in 1961 and by the mid-1960s the Lakeview plant is expected to have a total capacity of 1.8 million kw.

In northeastern Ontario, construction of the 38,000-kw Red Rock Falls generating station on the Mississagi River is expected to be completed this year. Otter Rapids generating station, on the Abitibi River, is scheduled to begin producing power in 1961. By 1963 its capacity will be 172,000 kw.

Generating resources in the northeastern region were augmented in 1959 with the installation of a 45,000-kw unit at Abitibi Canyon generating station.

A six-year, $182 million development plan in northeastern Ontario announced in March of this year, involves the construction of three new generating stations on a 15-mile stretch of the Mattagami River about 40 miles north of Kapuskasing, and North America's first major 460,000-volt transmission line.

The stations, which will have a capacity of 356,000 kw by 1966, are part of Hydro's long-range program which could yield about 1.5 million kw from northeastern rivers over the next 20 years.

The extra-high-voltage system will extend as far south as the Barrie area, and eventually to Toronto.

In northeastern Ontario, the new Silver Falls generating station, with a capacity of 45,500 kw, was opened in September.

The Thunder Bay thermal station, being built on the Fort William waterfront, is to produce 100,000 kilowatts in 1961. This station can be enlarged to one million kw as required.

In the nuclear field, the nuclear power demonstration plant on the Ottawa River is scheduled for operation in 1961 with a capacity of 20,000 kw. The powerhouse structure and pumphouse were completed in 1959.

In June, Hydro entered into an agreement with **Atomic Energy of Canada Ltd.** for the development of a large-scale nuclear plant on the shore of Lake Huron. To be known as Douglas Point nuclear power project, the $60 million plant is scheduled for completion in 1964 or 1965 with a capacity of 200,000 kw.

When in operation, the station will be staffed by Hydro, which will purchase the power from AECL. Once demonstrated as suitable for operation as part of the southern Ontario system, Hydro will purchase the plant from AECL.

The basis on which the station will be acquired will permit Hydro to obtain power at a cost competitive with that produced by modern coal-fired plants of similar size.

Apart from providing a further market for Ontario uranium, the decision will also decrease the Commission's dependence on other forms of fuel brought into the province.

During the year, Hydro intensified its sales promotion program. Special attention was centred on all-electric heating systems and at the end of the year, this new type of heating for Ontario had been installed in 345 homes. An estimated 1,500 will have it by the end of 1960.

Pembroke Elec.

Pembroke Electric Light Co., Pembroke, Ont., generates and distributes electrical energy in Pembroke and adjacent areas.

Net profit in 1959 was $215,689, up 9.7% from the previous year's $196,448.

Gross revenues rose $120,503 to $1,023,910 during the year, while expenses of $808,221 were $101,302 higher than in 1958.

Power consumption of 86 million kwh was 3.5% higher than in 1958. Power purchased was 13.6 million kwh compared with 6.4 million kwh in 1958.

A new cement dam was built at Lake St. Patrick at a cost of $37,822.

During the year a power site on the Coulonge River was purchased and also other land in the area allowing company to proceed with a building program as soon as conditions warrant.

First mortgage was reduced from $240,000 to $205,000. Debenture indebtedness stood at $247,700 Dec. 31, 1959.

Company added 230 new customers to its system, bringing the total at year-end to 6,194.

Company's agreement with Ontario Hydro will be renewed this year, and rates charged by Hydro for power supplied are expected to be increased, President W. R. Beatty reports.

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Transport

Greyhound

Greyhound Lines of Canada Ltd., Calgary, Alta., through subsidiaries is engaged in motor bus operations in Western and Eastern Canada.

Greyhound Corp., Chicago, owns 80% of company's outstanding common stock.

During 1959 company operated 15,804,910 bus miles, a decrease of about 670,000 miles from the previous year. Operations were conducted over 8,096 route miles.

Company was formed in 1957, to take over the Canadian operations of the parent. At that time it owned 146 intercity buses as well as some leased from the parent.

Terminals are owned and operated at 12 places. At other points, terminals are owned by Greyhound but operated for company by a lessee.

Basic bus rates are generally 3c per mile on short distance travel and slightly less on long distance travel.

Wholly-owned subsidiary, **Motor Coach Industries Ltd.**, Winnipeg, manufactures buses, bus parts and pole line hardware and assembles aluminum window and door frames.

A wholly-owned subsidiary of Motor Coach, **National Porcelain Ltd.**, Medicine Hat, Alta., manufactures porcelain insulators.

Consolidated net profit in 1959 amounted to $1,118,625, compared with $1,095,787 in 1958.

Earnings per common share equaled $1.21 against $1.22.

Outstanding capitalization at Dec. 31, 1959, consisted of 926,124 npv common shares, of which 26,124 shares were issued in 1959 on conversion of debentures.

Funded debt totaled $3,159,000 in 5½% secured convertible sinking fund debentures, due March 15, 1978.

Prov. Transport

Provincial Transport Co. is a large bus company operating services from Montreal through the Province of Quebec and into Eastern Ontario.

Since December, 1957, it has been active also in the car rental field through its joint ownership with **Avis Inc.** of **Avis Transport of Canada Ltd.** By the end of last year it had 98 outlets in 48 Canadian cities and towns.

At the same time company had 546 coaches in service, down from 560 on Dec. 31, 1958. There are nine new buses on order worth $1,450,000 for delivery this year.

Company operated 27,451,210 bus miles during 1959 and carried 28,070,240 passengers. This compares with 27,885,443 miles and 27,994,713 passengers during 1958.

Net profit for 1959 was $590,543 (up from $430,726), or $1.49 a common share ($1.02). Total operating revenue was $15.2 million ($14.7 million).

Company lost money on its car rental business. Its share of the 1959 Avis deficit was $97,079, compared with $125,637. The annual report predicts a better year in the field for 1960.

Outstanding capitalization Dec. 31 last included 350,000 npv common shares, 26,639 5% cumulative redeemable preferred shares ($50 par), $1.1 million 4% sinking fund debentures, maturing Dec. 1, 1962.

In addition, equipment obligations and mortgages due within one year totaled $714,094. Those due after a year were $1.5 million.

Saguenay 1960 Net Dips

MONTREAL (Staff)—Consolidated net profit of **Saguenay Power Co.** in first-quarter 1960 was $419,464 or 2.6% lower than $430,785 in January-March, 1959.

(See also page 63.)

Aluminium Ltd. owns virtually all common shares.

Here are comparative details:

First Quarter	1960 $	1959 $
Operating rev.	3,926,865	3,808,205
Other inc.	130,873	109,872
Less:		
Op., maint. and admin.	2,275,704	2,096,870
Education tax	83,219	88,470
Other tax. (ex. income)	176,614	175,382
Deprec.	236,062	228,017
Int. funded debt	176,614	189,106
Amort. of contracts	204,586	204,586
Current inc. tax	486,924	505,012
Reserve for fut. Ins. tax	—1,449	—151
Net profit	419,464	430,785

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The Financial Post Statistical Record of Public Utility Companies

POWER CO'S	Year	Funded Debt $	Gross Income $	Net Earnings $	Deprec. $	Times Int. Earned After Deprec.	Total Income Taxes $	Net Profit After Total Taxes $	Earnings Per Share Preferred $	Earnings Per Share Common $	Dividends Preferred $	Dividends Common $	Surplus For Year $	Working Capital $	OFFICERS AND DIRECTORS
B. C. ELECTRIC	1959	372,607,075	98,348,824	§57,158,482	13,740,647	2.73	11,487,056	16,115,251	†3.24	*3.00	‡	*	3,882,876	22,007,205	See British Columbia Power Corp.
	1958	307,236,959	84,733,932	§47,953,269	12,776,621	2.52	7,338,355	13,683,838	†2.76	*2.35	‡	*	2,588,702	3,148,371	
§Incl. int. chgd. to construc. of $4,616,687 in 1959, $2,898,903 in 1958. †Times total pref. dividends earned. *Common all owned by B. C. Power Corp. ‡Paid regularly in full on all classes of preferred.															
CALGARY POWER	1959	50,398,000	23,339,464	17,161,672	4,000,000	5.48	5,161,302	5,598,235	*46.65	†0.96	‡	▲	2,963,235	▲2,616,824	G. A. Gaherty, pres.; G. H. Thompson, vice-pres.; A. W. Howard, gen. mgr.; F. T. Gale, asst. gen. mgr.; W. A. Sharman, sec.-treas.; H. J. Symington, Denis Stairs, E. J. Chambers, James Douglas, J. B. Cross, R. J. Dinning.
	1958	50,607,000	20,254,330	14,805,358	3,000,000	5.09	4,272,077	5,215,540	*43.46	§4.46	‡	2.00	2,580,540	▲1,298,117	
*4%, 4½% & 5% pref. †New after 5-for-1 stock split Nov. 30, 1959. §Old stock. ‡Paid regularly in full on all three classes of preferred. ▲Paid initial 10c per new sh. and $1.50 per old sh.															
CANADA ELECTRIC	1959	3,143,200	1,377,288	544,218	173,695	2.91	111,087	132,129	52.85	13.29	5.00	5.00	74,629	539,428	N. T. Avard, pres. & gen. mgr.; W. R. Ross, sec.-treas.; A. H. Lamy, A. R. Lusby, C. J. Allbon, B. P. McCurdy.
	1958	3,179,700	1,462,220	565,090	170,030	3.07	114,554	151,789	60.72	15.48	5.00	5.00	94,289	262,559	
CANADIAN UTILITIES	1959	19,136,500	6,975,103	4,033,497	926,964	3.67	795,706	1,436,032	*26.11	1.85	*9.25	1.10	475,617	1,779,970	H. R. Milner, chm.; J. C. Dale, pres.; K. L. MacFadyen, vice-pres.-compt.; J. N. Ford, gen. mgr.; T. A. Montgomery, sec.; A. M. Irvine, treas.; G. E. Kelly, B. M. Hill, F. P. Layton, D. K. Yorath, L. F. Snyder, Dr. G. L. Cooke, W. J. Lambert, Howard Butcher, III.
	1958	19,282,750	6,051,852	3,450,037	864,539	3.06	516,507	1,151,553	°20.94	1.40	°9.25	0.70	444,477	3,344,156	
*5% and 4¼% pref.															
EAST KOOTENAY POWER	*1959	2,659,000	924,850	472,359	168,000	2.81	77,450	118,780	11.88	1.63	7.00	nil	48,780	86,484	J. B. Woodyatt, pres.; G. E. Elkington, vice-pres. & gen. mgr.; W. G. E. Lannaman, sec.-treas.; D. K. Baldwin, J. W. Rook, P. N. Thomson, A. W. Finlayson.
	*1958	2,725,000	982,590	498,009	173,500	2.95	87,700	126,786	12.68	1.89	7.00	nil	56,786	87,449	
*Year ended March 31.															
EASTERN LIGHT & POWER	1958	1,602,000	2,109,337	512,047	147,582	....	140,688	178,825	39.74	2.64	4.50	0.80	110,575	▲18,112	M. R. Chappell, pres.; N. T. Avard, vice-pres. and man. dir.; C. M. Laing, sec.-treas. and mgr.; D. C. Sinclair, J. C. MacMillan, B. P. McCurdy, H. M. Standish.
	1957	1,618,000	1,949,758	498,522	138,316	....	140,461	177,707	39.49	2.62	4.50	0.80	109,457	102,178	
EASTERN UTILITIES	1958	812,000	.....	151,761	.....	4.15	591	114,630	▲4.17	3.08	▲0.55	2.50	14,505	134,083	B. P. McCurdy, pres.; A. S. Fraser, vice-pres.; A. A. MacLeod, sec.; D. W. Crosby, treas.; Helen Porter, A. G. Cooper, H. M. Standish.
	1957	812,000	.....	150,036	.....	4.11	....	113,496	▲4.13	3.03	▲0.55	2.50	13,371	124,797	
▲5½% pref. only; on 3% pref. $13.27 ($13.12) earned and $3.00 ($3.00) paid.															
GATINEAU POWER CO.	1959	53,979,167	18,443,718	11,775,744	2,000,000	5.88	3,879,300	4,089,773	*26.06	1.98	*	1.60	627,505	1,455,904	G. G. Gale, chm. & pres.; Irwin L. Moore, vice-pres.; C. N. Simpson, vice-pres. and gen. mgr.; A. C. Brittain, vice-pres. & treas.; Alan Brown, commercial vice-pres.; A. E. Gadbois, sec.; Lt.-Col. W. F. Hadley, V. M. Drury, J. G. Porteous, Jacques de Billy, D. K. MacTavish, L. G. Rolland, A. N. Carter, A. G. S. Griffin, W. K. Jacobs, Jr.
	1958	54,337,222	19,196,216	13,047,210	2,000,000	6.52	4,169,793	5,040,194	*32.11	2.55	*	1.40+0.10	1,744,174	1,495,779	
*5% and 5½% pref.; dividends on each paid regularly in full.															
GREAT LAKES POWER CORP.	1959	22,555,000	5,114,716	3,962,529	1,025,614	*2.92	907,200	993,520	13.42	2.22	1.25	nil	900,992	▲912,861	F. E. Hollingsworth, chm.; W. M. Hogg, pres.; B. C. Gartshore, vice-pres. & gen. mgr.; J. R. Andrews, vice-pres. and treas.; C. R. Walton, sec.; R. L. Curran, F. S. Hollingsworth, A. B. McLean, J. D. McPhail, Gordon McMillan, S. M. Wedd, W. P. Scott, J. H. Ratcliffe, H. E. Cochran.
	1958	22,895,000	4,130,914	3,108,638	851,483	*2.57	530,800	814,086	11.00	1.80	1.25	nil	721,558	▲1,650,602	
*Times all interest earned.															
JAMAICA PUBLIC SERVICE LTD.*	1959	.....	542,200	526,458	.....	....	202,393	324,065	....	0.80	....	0.80	65	50,483	R. N. Benjamin, pres.; Abner Kingman, vice-pres.; E. J. Murphy, asst. sec.; F. X. Healy, treas.; R. O. Johnson, Hon. H. deM. Molson, F. J. Dupré, Rt. Hon. Viscount Hardinge, G. W. MacDuff.
	1958	.....	440,595	428,191	.....	.....	164,544	263,647	....	†0.65	....	‡	30,772	81,874	
†Following 3-for-1 stock split. *Parent company only. ‡Paid 17½c per new sh. and $1.20 per old sh.															
JAMAICA PUBLIC SERVICE CO. LTD.†	1959	£3,910,780	£2,237,764	£1,125,622	£220,705	*5.30	£170,319	£522,599	....	....	♦	....	£347,441	♦£453,125	R. N. Benjamin, chm.; G. W. MacDuff, pres.; Abner Kingman, vice-pres.; F. W. Utz, vice-pres.; C. E. Wedgewood, sec. & treas.; F. J. Dupré, Hon. H. deM. Molson, R. O. Johnson, Rt. Hon. Viscount Hardinge, V. C. Smith.
	1958	£2,699,594	£1,947,788	£972,693	£193,376	*5.71	£172,219	£442,360	....	....	♦	....	£292,369	♦£674,604	
†Operating subsidiary. *After other interest. Note—Earnings applicable to common shares of Jamaica Public Service Ltd., on consolidated basis amounted to $3.10 per sh. in 1959, $2.56 per sh. in 1958. ♦Dividends paid regularly on 7% pref. and B, C, D and E pref. shs.															
LOWER ST. LAWRENCE POWER	1959	5,135,000	3,409,099	1,792,459	504,514	*6.82	508,630	577,835	5.28	2.39	0.90	1.00	278,071	568,576	Hon. J. A. Brillant, chm. & pres.; T. A. Bernier, vice-pres. & gen. mgr.; Norman Gendreau, vice-pres. & treas.; Jacques Brillant, vice-pres.; P. E. Gagnon, sec.; J. R. Dubé, chief accountant; Carol Brillant, Henri Labrie, Aubert Brillant.
	1958	4,232,000	3,163,066	1,619,675	467,188	*6.13	444,544	507,419	4.56	2.03	0.90	1.00	206,142	61,946	
*Times all interest earned.															
MACLAREN-QUEBEC POWER	1959	11,828,000	3,814,656	2,706,923	†724,220	5.19	822,000	745,448	....	....	....	....	.....	.....	
	1958	12,428,000	3,579,458	2,510,333	†722,287	‡4.36	687,000	630,818	....	....	....	....	.....	.....	
†Incl. amort. ‡After other int., amort. of disc. and exp.															
MARITIME ELECTRIC CO.	1958	2,400,000	2,835,516	1,059,112	336,926	*5.26	258,999	327,360	43.65	†1.93	5.00	nil	289,860	▲551,381	Denis Stairs, pres.; A. G. Mackinnon, vice-pres.; L. G. Proctor, sec.-treas.; Hugh MacMillan, J. R. Hughes, G. A. Gaherty, J. R. Paton, G. W. W. Ross.
	1957	2,450,000	2,623,206	961,672	295,160	*4.53	228,888	288,976	38.53	†71.85	5.00	nil	251,476	▲509,995	
*All interest. †On new 150,000 n.p.v. shs. ‡On old 3,500 $100 par shs.															
MEXICAN LIGHT & POWER	1959	78,243,841	51,782,342	17,654,461	4,902,431	*2.92	3,151,343	5,109,011	5.99	1.88	1.00	1.00+stk‡	2,044,699	1,404,616	M. D. Taylor, chm.; Gustave Maryssael, pres. & gen. mgr.; E. A. Graydon, vice-pres.; J. Martinez Tejeda, vice-pres.; G. L. Stewart, sec., Toronto; J. Alfredo Reynoso, sec. in Mexico City; Robert Bowman, treas.; C. A. Warne, controller; Sir Bernard Binder, A. H. Dean, W. H. Draper, Jr.; J. D. Duncan, Maurice Frère, Allan Graydon, D. G. Guest, Sir Reginald Leeper, L. G. Legorreta, Carlos Prieto, Arthur Ross, Baron Silvercruys, J. W. Snyder, Eduardo Suárez, C. K. Wilmers.
	1958	79,426,600	48,815,343	15,076,737	4,580,039	*2.62	1,937,400	4,434,473	5.20	1.66	1.00	1.00+stk‡	1,475,557	4,565,022	
*Times fixed charges earned. ‡1/20 common for each common sh. held.															
NEWFOUNDLAND LIGHT & POWER	1958	14,835,500	4,327,634	2,776,423	735,000	†4.01	680,630	851,768	42.59	4.26	5.00	1.80	434,477	▲76,156	R. G. Winter, chm.; Denis Stairs, pres.; V. A. Ainsworth, gen. mgr.; L. G. Proctor, sec.-treas.; G. H. Thompson, A. G. Mackinnon, Hon. C. C. Pratt, D. C. Hunt, G. W. W. Ross, A. S. Gordon.
	1957	10,087,500	4,070,880	2,669,366	725,000	†4.36	665,909	832,810	41.64	4.16	5.00	1.65	473,487	▲543,744	
†All interest.															
NORTHERN QUEBEC POWER	1959	7,091,000	3,608,830	2,103,952	515,403	5.24	611,260	674,153	*14.23	2.28	°2.75	1.60	143,739	932,710	B. V. Harrison, pres.; A. Scott Elliot, vice-pres. & gen. mgr.; W. G. E. Lannaman, vice-pres. & sec.-treas.; J. B. Woodyatt, Joseph Simard, D. K. Baldwin, P. N. Thomson, J. W. Rook, Jean Raymond.
	1958	7,806,000	3,518,645	2,043,045	506,831	4.68	558,916	649,241	*13.67	2.16	°2.75	1.60	118,263	1,249,707	
*1st pref. only; on 2nd pref. $54.37 ($51.83) earned and $6.00 ($6.00) paid.															
NORTHLAND UTILITIES	1959	4,412,647	2,971,344	1,303,356	451,442	3.40	228,500	362,923	*10.52	1.21	‡5.50	0.50	192,847	▲32,340	A. U. Anderson, pres.; N. W. DuBois, vice-pres.; W. A. Sullivan, sec.; E. G. Ringrose, treas.; J. L. Schlosser, P. L. P. Macdonnell, J. A. McMahon.
	1958	4,627,657	2,321,293	1,061,460	385,587	4.17	199,700	307,520	*8.91	1.01	‡5.50	0.45	151,515	715,969	
*Times pref. divds. earned. ‡5½% pref.; 5% paid $2.50 in both years.															
NOVA SCOTIA LIGHT & POWER	1958	27,059,000	15,320,267	6,663,541	2,196,856	4.97	1,538,271	1,990,831	‡3.75	1.16	†	0.60	704,140	1,193,475	J. C. MacKeen, pres.; W. N. Wickwire, vice-pres.; A. R. Harrington, gen. mgr.; E. A. Leblanc, sec.; C. J. Webb, treas.; H. P. Briggs, D. M. Smith, A. D. Stairs, Hon. G. B. Isnor, G. D. Stanfield, Denis Stairs, A. S. Fraser, R. A. Jodrey, C. W. Dean, J. H. M. Jones.
	1957	24,995,000	13,751,134	5,185,588	2,050,925	6.29	1,037,827	1,554,590	‡2.88	0.81	†	0.57	298,671	1,851,418	
‡Times dividend requirements earned. †4% and 4½% pref. paid in full both years; on 5% pref. $2.50 pd. in 1958, $2.70½ in 1957.															
PEMBROKE ELECTRIC LIGHT	1959	452,000	1,023,910	536,951	103,700	20.56	196,490	215,689	....	17.26	....	5.00	153,189	197,483	W. R. Beatty, pres.; D. R. Rogers, vice-pres.; H. J. Clauson, sec.-treas.; H. S. Smith, W. C. McLaughlin.
	1958	489,300	903,407	471,217	98,200	18.08	155,900	196,488	....	15.72	....	5.00	133,988	239,295	
QUEBEC POWER CO.	1959	14,720,000	15,906,754	4,943,810	1,311,603	7.49	1,466,261	1,681,226	....	2.41	....	1.60	569,125	2,737,696	R. J. Beaumont, chm.; J. A. Fuller, pres.; H. F. Beique, vice-pres & gen. mgr.; J. P. Towner, Jean Saint-Jacques, W. F. Mainguy, E. D. Gray-Donald, vice-pres.; R. R. Merifield, sec; L. E. Boissonnault, treas.; R. Deprés, compt.; Hon. Gerald Martineau, A. C. Picard, Gaston Pratte, Yves Montreuil, J. A. Trudel.
	1958	14,977,000	14,626,669	4,596,622	1,221,873	6.90	1,273,782	1,611,833	....	2.33	....	1.45	615,974	2,363,486	
SAGUENAY ELECTRIC CO.	1959	4,583,188	3,771,733	898,201	357,079	2.61	157,408	176,268	....	2.35	....	1.00	101,268	94,534	Paul Tellier, pres.; Gaston Dufour, vice-pres. & gen. mgr.; Paul LaRoque, sec.; Paul Beaulieu, vice-pres.; Fernand Lamarche, treas.; Gilbert Proulx, vice-pres.; N. S. Crerar, Jules Landry, R. J. Beaumont.
	1958	4,688,188	3,407,157	819,723	336,383	2.26	123,720	146,044	....	1.94	....	1.00	71,044	408,498	
SAGUENAY POWER CO.	†1959	21,763,188	14,949,844	5,887,531	904,993	6.85	1,902,087	1,534,530	....	7.31	....	4.00	694,530	1,288,143	N. S. Crerar, pres.; R. E. Powell, vice-pres.; Paul Beaulieu, treas.; Paul LaRoque, sec.; D. T. Bartholomew, J. A. Prud'homme, N. V. Davis, F. L. Lawton, G. O. Morgan, J. H. Price, J. A. Dullea.
	†1958	22,820,188	14,112,126	5,798,879	877,104	6.35	1,844,854	1,483,003	....	7.06	....	8.00	•196,997	770,523	
†And subsidiary companies.															
SHAWINIGAN WATER & POWER	▲1959	161,711,000	78,851,551	41,391,217	10,463,300	5.05	11,160,800	13,175,472	†26.35	§	‡2.00	§	5,239,029	1,110,907	R. J. Beaumont, chm.; J. A. Fuller, pres.; W. F. Mainguy, exec. vice-pres.; E. D. Gray-Donald, vice-pres. admin.; H. B. Abbott-Smith, vice-pres. power sales; A. C. Abbott, vice-pres.; W. R. Way, vice-pres.; L. E. Boissonnault, vice-pres. finance; Jules Bouchard, H. M. Finlayson, Francois Roy, L. McGillis, G. D. Hulme, T. P. Dalton, J. A. Smith, asst. vice-pres's.; A. C. Joncas, treas.; R. R. Merifield, sec.; A. Timon, compt.; N. J. Dawes, S. G. Dobson, Arthur Surveyer, H. G. Welsford, Raymond Dupuis, W. F. Macklaier, R. E. Heartz, H. S. Sutherland, J. B. Woodyatt, Lt.-Col. L. J. A. Amyot, Auguste Desilets, H. Greville Smith.
	▲1958	169,422,500	72,394,896	36,740,821	8,818,800	4.74	9,244,717	13,812,825	†27.63	§	‡2.00	§	7,000,948	▲101,464	
▲Including St. Maurice Power Corp. †A and B preferred. §On class A shs. earned $21.37 ($22.49), and paid $1.33⅓ ($1.33⅓) per share; on common, earned $1.46 ($1.62), and paid $0.80 ($0.88) per share. ‡A preferred; on B preferred, $2.55 was paid both years.															
SOUTHERN CANADA POWER	1959	11,000,000	13,286,275	4,954,986	892,300	10.21	1,773,700	1,891,179	†26.68	‡3.49	▲7.00	2.50	394,956	647,953	J. B. Woodyatt, chm.; J. A. Pagé, pres. & gen. mgr.; G. L. Rattee, exec. vice-pres.; E. A. Stanger, D. Anderson, S. J. Atchison, vice-pres's.; V. J. Nixon, sec.; E. L. Jowett, treas.; P. N. Thomson, F. A. Pouliot, A. C. Abbott, J. A. Fuller, W. F. Mainguy, A. D. Nesbitt, W. R. Way, R. R. Moodie, J. O. Montplaisir, W. H. Miner, Georges St. Germain, Paul Desruisseaux, Eugene Payan.
	1958	11,100,000	12,122,798	4,761,294	847,800	9.84	1,589,700	1,925,999	†27.17	‡3.57	▲7.00	2.50	429,776	1,213,331	
†Before participation. ‡After participation. ▲Including partic. divd. of $1.00 (maximum).															
UNITED TOWNS ELECTRIC CO.	1959	7,693,430	2,480,184	1,487,226	483,515	2.25	205,765	351,543	1.69	0.82	0.55	0.80	6,289	▲3,039,215	S. H. Morris, chm., pres. & man. dir.; B. D. Parsons, vice-chm. & vice-pres.; J. B. Woodyatt, vice-pres.; J. B. O'Keefe, sec.-treas.; R. H. Dean, J. A. Weldon, E. S. Morse, C. R. Bell, F. M. O'Leary, R. E. Innes, E. L. Hickman.
	1958	7,912,930	2,179,524	1,389,835	446,036	3.14	221,761	421,850	2.04	1.07	0.55	0.80	76,524	▲1,015,307	
WEST KOOTENAY POWER	1959	.....	3,739,834	2,170,560	527,042	....	790,000	853,518	170.70	13.39	7.00	10.00	207,318	328,284	R. E. Stavert, chm., Montreal; R. G. Anderson, pres. & gen. mgr.; R. D. Perry, vice-pres.; L. O. Reid, sec.-treas., Montreal; G. K. Harper, asst. sec.-treas., Trail, B.C.; W. A. Mather, W. S. Kirkpatrick, C. H. B. Frere, E. G. Randall.
	1958	.....	3,440,923	2,024,750	496,452	....	691,000	837,298	167.46	13.13	7.00	10.00	191,098	395,332	

HOLDING CO'S

B. C. POWER CORP.	1959	372,607,075	98,348,824	†57,158,482	13,740,647	2.73	11,487,056	11,271,492	....	2.48	....	1.40	4,902,035	22,007,205	A. E. Grauer, pres.; H. L. Purdy, exec. vice-pres.; J. J. Carson, J. H. Steede, A. B. Robertson, vice-pres's.; W. C. Mearns, vice-pres.; J. Lorn McLean, vice-pres. & treas.; G. G. Woodward, sec.; G. T. Cunningham, J. L. Trumbull, W. G. Murrin, Col. Hon. Clarence Wallace, H. S. Foley, A. B. Christopher, R. H. B. Ker, S. G. Dobson, Severe Godin, A. D. Nesbitt, J. B. Woodyatt, C. L. Gundy, Sir Samuel Harold Brown.
	1858	307,236,959	84,733,932	†47,953,269	12,776,621	2.52	7,338,355	8,876,483	....	1.95	....	1.40	2,652,539	3,148,371	
†Incl. int. charged to construction of $4,616,987 in 1959, $2,898,903 in 1958.															
CANADIAN INTERNATIONAL POWER	1958	.....	21,655,146	10,931,838	1,873,421	....	.....	8,734,654	‡17.01	‡3.14	3.00	nil	7,165,467	7,292,909	Frederick Krug, pres.; W. M. Hickey, vice-pres.; L. G. Proctor, sec.-treas.; H. J. Symington, A. G. Mackinnon, J. R. Hughes, P. W. Rayner, E. R. Alexander, M. G. Taylor, L. F. Daley, R. J. Smyth.
	1957	.....	18,453,895	9,984,339	1,624,206	....	.....	8,005,587	‡14.99	‡2.98	*2.25	nil	6,786,340	9,167,407	
‡Based on shs. o/s at year end. *Includes initial pd. June 28/57.															
INTERNATIONAL UTILITIES	1959	62,821,500	38,475,518	16,545,881	*3,210,929	....	3,696,253	5,314,234	†15.18	2.14	†	1.10+0.15	2,247,575	8,763,773	F. B. Wilcox, chm.; Howard Butcher, III, pres.; E. M. Butler, vice-pres. & sec.; J. M. Seabrook, vice-pres. indust. activities; W. F. Egan, treas. & asst. sec.; F. W. Clarke, Jr., J. P. Crawford, Jr., H. R. Milner, J. C. Dale, D. K. Yorath, W. E. Warner, T. S. Watson, Hadley Case, W. P. Miller, Jr., N. S. Robertson, W. M. Hunt, W. M. Weaver, Jr., R. C. Heim.
	1958	61,675,250	29,796,637	12,662,169	*3,080,178	....	1,817,550	3,768,052	....	1.54	....	1.00+0.10	1,077,804	6,915,463	
*Not incl. $343,218 in 1959, $326,077 in 1958, charged to operations and maintenance. †Issued in Dec., 1959.															
POWER CORPORATION	*1959	9,500,000	3,019,875	2,706,162	.....	6.26	73,073	2,200,589	†18.34	2.53	†2.25	2.00	332,508	♦552,501	J. B. Woodyatt, chm.; A. D. Nesbitt, pres.; P. N. Thomson, vice-pres. & man. dir.; J. W. Rook, gen. mgr.; W. G. E. Lannaman, sec.-treas.; W. A. Arbuckle, Joseph Simard, R. L. Weldon, M. M. Walter, R. R. Moodie, W. H. Rea.
	*1958	9,500,000	3,133,368	2,749,129	.....	6.35	42,825	2,273,054	†18.94	2.65	†2.25	2.00	404,973	418,766	
*Year ended June 30. †1st pref. 4½% only.															

GAS AND HEATING

CANADIAN WESTERN NATURAL GAS	1959	16,469,000	14,108,387	5,337,795	1,047,756	*4.34	1,186,777	2,114,563	§4.45	2.09	‡0.80	0.95	914,235	2,214,351	H. R. Milner, chm.; D. K. Yorath, pres.; B. F. Willson, exec. vice-pres.; R. C. McPherson, senior vice-pres.; K. L. MacFadyen, vice-pres. compt.; H. M. Hunter, gen. mgr.; H. S. Greenway, sec.; W. L. McPhee, treas.; P. D. Mellon, Fred Stapells, F. C. Manning, A. G. Baalim, Howard Butcher, III, R. S. Munn.
	1958	17,104,000	11,022,141	3,315,467	972,080	*2.74	305,857	1,183,003	§2.49	0.99	‡0.80	...	792,675	1,383,079	
*Times fixed charges earned. §Based on 275,410 shs. 4% pref. and 200,000 shs. 5½% pref. ‡4% pref., 5½% pref. paid $1.10 in 1959, 85c in 1958.															
CONSUMERS' GAS CO.	*1959	51,700,000	38,513,545	10,760,075	2,318,595	3.31	1,600,000	4,057,045	27.05	1.85	†	0.95	1,689,103	▲11,016,691	A. L. Bishop, pres.; Oakah L. Jones, vice-pres. & gen. mgr.; (Miss) Mabel Geary, asst. sec.; W. C. Laidlaw, J. A. Northey, R. R. Corson, J. K. Macdonald, Hon. G. P. Campbell, A. R. Poyntz, W. H. Zimmerman, G. E. Creber, and The Mayor of Toronto.
	*1958	52,100,000	29,936,712	7,448,083	1,832,147	2.50	587,650	2,598,623	51.97	1.27	5.50	0.80	1,086,006	167,634	
*Year ended Sept. 30. †Paid $5.50 per series A sh. and $3.40 per series B share.															
GREAT NORTHERN GAS UTILITIES	1959	6,541,500	5,771,624	1,613,866	497,994	3.11	254,338	493,257	*10.10	0.51	‡	0.20	229,430	1,469,270	Charles E. Garnett, chm.; L. Sanford Reis, pres.; S. R. Kaufman, vice-pres. & gen. mgr.; Eric Sherwood, vice-pres.; E. W. Straus, sec. & treas.; Carman G. King, Alan T. Christie, J. E. McConnell, R. O. Bull.
	1958	6,718,500	5,146,589	1,187,529	443,018	2.34	106,736	304,762	°6.13	0.24	‡	nil	169,262	1,771,531	
*$2.50 and $2.80 pref. ‡Both issues paid in full.															
GREATER WINNIPEG GAS	1959	11,378,500	3,889,208	861,396	235,422	*1.21	.....	57,496	....	0.06	....	nil	57,496	▲1,430,194	G. P. Osler, pres.; A. R. Elliott, vice-pres. & gen. mgr.; Frederick Bancroft, vice-pres. & sec.-treas.; R. D. Guy, Isaac Pitblado, G. H. Sellers, J. A. MacAulay, A. Searle Leach, P. D. Curry, J. R. Findley, J. R. Dempsey, E. O. Boshell.
	1958	11,378,500	2,314,218	260,498	201,619	*0.31	.....	*478,700	....	d0.54	....	nil	*478,700	3,429,165	
*After deducting interest charged to construction, $136,689 in 1959, $76,305 in 1958.															
INLAND NATURAL GAS	*1959	22,170,500	3,811,844	1,772,239	148,181	1.18	50,843	147,271	0.59	d0.04	1.00	nil	*102,729	▲2,416,105	N. R. Whittall, chm.; J. A. McMahon, pres.; F. B. Brown, vice-pres.; D. R. MacPhail, sec.; W. D. Alexander, treas.; William Manson, E. B. Bull.
	*1958	22,170,500	1,910,085	974,663	226,666	1.31	38,005	53,877	0.22	d0.08	1.00	nil	*196,123	172,370	
*Year ended June 30.															
MID-WESTERN INDUSTRIAL GAS	1959	1,977,240	1,898,046	1,011,345	‡	....	.....	490,298	....	0.19	....	nil	490,298	473,330	R. G. Campbell, pres.; W. H. Price, vice-pres. & gen. mgr.; G. F. McClary, sec.-treas.; W. E. Thomson, E. C. Morel, A. W. Shaw, F. L. Glasgow.
	1958	2,284,400	1,346,903	663,055	‡	....	.....	194,840	....	0.08	....	nil	194,840	165,459	
‡Not stated.															
NORTHERN ONTARIO NATURAL GAS	1959	22,000,000	*3,270,578	*603,605	*58,922	*1.69	.....	.....	....	....	....	....	.....	▲562,024	R. K. Farris, pres.; C. S. Clark, exec. vice-pres.; R. B. Craddock, E. C. Bovey, vice-pres's.; A. M. Hove, vice-pres. & chief engr.; W. R. Howard, sec.; H. E. Andrews, treas.; A. D. Hall, compt.; J. L. Farris, F. S. Welters, M. C. Deans, Leonard Dickson, Blanche Noyes.
	1958	22,000,000	.....	.....	.....	....	.....	.....	....	....	....	....	.....	1,697,154	
*For 3 mos. ended Dec. 31, 1959; previous net revenue accrued against capital cost.															
NORTHWESTERN UTILITIES	1959	24,306,000	16,585,952	6,724,407	1,510,940	§4.85	1,602,000	2,533,187	24.13	‡	4.00	‡	1,518,187	492,127	H. R. Milner, chm.; D. K. Yorath, pres.; B. F. Willson, exec. vice-pres.; R. C. McPherson, senior vice-pres.; K. L. MacFadyen, vice-pres. compt.; M. E. Stewart, gen. mgr.; C. L. Metcalfe, sec.; J. B. Whelihan, treas.; O. C. McIntyre, J. R. Munro, A. M. MacDonald, A. G. Stewart, J. C. Dale, Howard Butcher, III.
	1958	25,378,500	12,244,945	5,741,164	1,494,432	§4.20	985,000	2,246,351	21.39	‡	4.00	‡	1,656,351	3,381,523	
§Times all interest and bond disc. & exp. earned. ‡All owned by International Utilities Corp.															
QUEBEC NATURAL GAS	*1959	48,400,000	14,853,020	733,191	792,657	....	.....	*3,812,575	....	d2.80	....	nil	*3,872,575	‡16,712,049	Hon. Edouard Asselin, chm.; Col. Maurice Forget, pres.; Leonard Milano, exec. vice-pres. & chief exec. officer; P. F. Clarke, vice-pres.; H. A. B. Stuffmann, sec. and treas.; Albert Langevin, J. K. McCausland, H. R. Milner, J. A. Page, Marcel Piche, F. A. Schultz, H. Greville Smith, Guy Vanier, Smith, Guy Vanier.
	†1958	46,982,000	17,682,376	3,111,824	834,988	....	.....	*1,051,219	....	d0.77	....	nil	‡1,051,219	‡938,660	
*Year ended June 30. †14 mos. ended June 30. ‡Excl. construction funds or deposit.															
UNION GAS CO. OF CANADA	*1959	54,700,000	27,283,809	11,133,917	2,471,537	†3.08	2,935,000	3,770,520	16.30	‡0.61	*0.34	§	1,300,320

The Financial Post Statistical Record of Public Utility Companies (Continued)

COMPANIES:	Year	Funded Debt $	Gross Income $	Net Earnings $	Depree. $	Times Int. Earned After Depree. $	Total Income Taxes $	Net Profit After Total Taxes $	Earnings Per Share Preferred $	Earnings Per Share Common $	Dividends Preferred $	Dividends Common $	Surplus For Year $	Working Capital $	OFFICERS AND DIRECTORS
COMMUNICATIONS															
ANGLO-CANADIAN TELEPHONE‡	1959	5,980,000	2,586,351	2,132,349	.....	....	20,820	1,624,157	*6.50	‡1.26	†*2.25	§1.20	189,495	▲1,519,646	Thomas A. Boyd, pres.; T. S. Gary, vice-pres.; C. H. McLean, vice-pres.; Cameron Hough, sec. & treas.; F. H. Woods, A. S. Torrey, Aristide Cousineau, D. C. Power, D. K. MacTavish, Gordon Farrell, D. G. Mitchell.
	1958	6,240,000	2,157,916	1,770,797	.....	....	21,200	▲1,290,977	†10.33	‡1.04	†2.25	§1.20	305,207	35,827	
‡Parent company only. *4½% and $2.90 pref. 60c per deferred sh. †4½% only. ▲After special loss on exchange. ‡Class A and deferred after participation. *Also paid initial 97c per $2.90 shs. §Class A only; also pd.															
AVALON TELEPHONE	1959	6,369,000	2,538,070	1,451,637	360,000	3.81	364,010	441,283	†2.21	*0.58	‡	0.40	56,000	▲1,245,582	S. H. Morris, chm., pres. & man. dir.; H. D. Parsons, vice-chm. & vice-pres.; E. S. Morse, vice-pres.; J. B. O'Keefe, sec.-treas.; J. A. Weldon, J. B. Woodyatt, R. H. Dean, E. L. Hickman, F. M. O'Leary, R. E. Innes, C. R. Bell.
	1958	5,416,500	2,112,568	1,238,573	330,000	3.87	281,496	392,095	†2.35	*0.68	‡	0.40	74,381	▲1,602,637	
†On all pref. shs. *On average no. of shs. o/s. ‡Dividends paid regularly on all three classes.															
BELL TELEPHONE OF CANADA	1959	453,000,000	384,278,761	178,394,279	64,873,766	6.16	44,556,000	50,283,578	....	*2.48	....	2.05	8,709,003	▲1,793,606	T. W. Eadie, pres. & chm.; E. A. Rolph, exec. vice-pres.; J. A. Hobbs, R. H. Keefler, H. G. Young, G. M. Grant, A. G. Lester, vice-pres's.; J. A. Dochstader, asst. to pres.; S. C. Scadding, sec.; J. R. Logan, vice-pres. & treas.; Wm. McNeill, compt.; N. A. Munnoch, vice-pres & gen. counsel; C. L. Dewar, J. S. Farquharson, C. E. Watson, W. H. Cruickshank, Marcel Vincent, vice-pres. & gen. mgrs.; J. A. Eccles, J. A. Fuller, Marcel Faribault, R. D. Harkness, Frederick Johnson, R. E. Powell, C. F. Sise, L. J. A. Amyot, R. A. Laidlaw, Henry Borden, C. G. Cockshutt, G. F. Towers, J. E. Dingman.
	1958	423,000,000	335,627,108	139,175,466	55,753,618	5.49	29,118,000	38,899,289	....	*2.15	....	2.00	2,718,860	▲11,443,979	
*Based on number of shares o/s as calculated from dividends paid.															
B. C. TELEPHONE	1959	105,693,000	55,432,370	26,341,254	8,678,074	3.72	6,019,134	6,672,300	†667.23	3.04	‡	2.05	1,492,300	▲4,623,683	Gordon Farrell, chm.; C. H. McLean, pres.; H. M. Boyce, vice-pres., treas. & sec.; G. A. Kennedy, vice-pres.; W. S. Pipes, vice-pres & gen. mgr.; E. T. Squire, vice-pres.; W. D. Stevens, compt.; Col. Hon. Clarence Wallace, F. B. Brown, T. S. Gary, D. C. Power, A. S. Torrey, D. G. Mitchell.
	1958	90,861,000	48,050,743	18,038,917	7,099,564	2.95	2,857,776	4,173,071	†417.31	1.72	‡	2.00	*331,929	▲3,552,193	
†6% preference only. ‡Dividends paid regularly in full on all classes of pref.															
ISLAND TELEPHONE	1958	2,000,000	1,175,990	623,148	229,559	4.48	123,214	151,676	†1.91	1.43	‡0.45	0.60	66,674	214,960	A. M. MacKay, pres.; F. D. Smith, vice-pres.; G. R. Starratt, sec.; W. S. Robertson, counsel; S. P. Conrod, treas.; C. S. Mosher, compt.; J. E. Richardson, asst. to pres.; A. G. Archibald, gen. mgr.; C. A. B. Bullock, W. S. Grant, C. J. Morrow.
	1957	1,500,000	1,065,489	524,029	182,635	5.10	112,018	133,656	†1.67	1.21	‡0.45	0.60	48,654	▲81,228	
†4½% and 4¾% pref.; also paid 47½c (47½c) per 4¾% pref. sh.															
MARITIME TEL. & TEL.	1959	20,000,000	14,956,082	7,593,576	2,676,130	6.06	1,971,000	2,135,212	14.23	‡1.15	0.70	0.82½	572,129	3,334,928	A. M. MacKay, chm.; J. E. Richardson, pres.; A. G. Archibald, vice-pres. & gen. mgr.; W. S. Robertson, sec. & gen. counsel; S. P. Conrod, treas.; C. S. Mosher, compt.; C. A. B. Bullock, F. H. Doyle, F. D. Smith, P. J. Smith, J. A. Hobbs, E. A. Rolph, G. W. Killam, M. R. Chappell, J. W. MacLeod, C. J. Morrow, C. E. Stanfield.
	1958	20,000,000	13,664,795	6,676,625	2,396,485	6.48	1,642,862	1,977,127	13.18	‡1.13	0.70	0.80	541,691	3,147,242	
1959 figures not available. *Based on shs. o/s as calculated from divds. paid.															
NEW BRUNSWICK TELEPHONE	1959	19,000,000	13,924,166	7,299,872	2,503,214	*5.93	1,946,000	2,038,097	....	†0.79	....	0.60	495,905	2,070,120	Hon. G. P. Burchill, chm.; J. L. Black, pres.; K. V. Cox, exec. vice-pres. & gen. mgr.; J. N. Lutes, sec.-treas.; G. C. Turner, compt.; H. G. Black, C. N. Wilson, G. M. McKiel, R. W. Ganong, J. A. Hobbs, R. H. Keefler, A. E. Levesque, C. T. Clark, Leonard Lockhart, A. R. Clark, J. E. Connolly, A. H. McCain.
	1958	19,000,000	12,197,675	5,862,084	2,305,832	*4.51	1,239,165	1,524,842	....	†0.60	....	0.60	94,663	2,671,856	
*After deprec. and amort. †Based on shs. fully paid and issued.															
NORTHERN TELEPHONE	1959	3,141,500	3,177,328	1,197,772	514,993	4.56	181,204	347,149	*2.78	0.19	†	0.10	115,185	▲735,401	Donald McKelvie, pres. & gen. mgr.; R. A. H. Taylor, vice-pres.; J. M. Wickett, treas.; C. A. Stevens, sec.; R. T. Hutchinson, L. L. Woods, W. R. Ramsay.
	1958	3,157,000	2,865,935	1,014,859	440,158	4.76	142,727	307,297	*4.10	0.22	*1.10	0.10	124,547	▲720,348	
(*Series A and B. *Series A only. †Paid $1.10 per series A sh. and 69c per series B sh.															
NORTH-WEST TELEPHONE	1959	1,500,000	3,506,508	1,646,024	594,330	†3.02	327,445	372,895	3.73	0.54	0.50	‡0.33⅓	122,895	▲4,746,545	Gordon Farrell, chm.; C. H. McLean, pres.; C. J. McLean, vice-pres. & gen. mgr.; G. A. Kennedy, vice-pres.; H. M. Boyce, treas. & sec.; W. D. Stevens, compt.; F. B. Brown, A. S. Torrey, T. S. Gary, D. C. Power.
	1958	1,500,000	3,018,677	1,223,457	486,429	†1.99	163,925	200,255	2.00	0.75	0.50	0.40	70,255	▲5,006,929	
†All interest. ‡Calculated from shs. o/s at year-end.															
QUEBEC TELEPHONE	1959	12,966,500	7,955,144	4,239,670	1,063,890	6.28	1,324,693	1,325,063	4.70	1.57	*1.00	†	438,084	1,462,709	Hon. J. A. Brillant, pres.; T. A. Bernier, vice-pres. & gen. mgr.; Jacques Brillant, vice-pres.; Norman Gendreau, vice-pres. & treas.; F. C. Doak, vice-pres. & chief engr.; Maurice Martin, asst. vice-pres.; P. E. Gagnon, sec.; J. R. Bernier, compt.; Julien Thuot, asst. to pres.; J. A. Despardins, Aubert Brillant, Carol Brillant.
	1958	10,062,000	6,460,026	3,316,094	848,161	4.84	906,831	1,030,786	3.59	1.24	*1.00	†	288,526	1,109,750	
*On 5% pref.; on 5¼% pref. paid initial 27½c in 1958, $1.10 in 1959. †On class A paid 75c and on common paid 90c both years.															
TELEPHONE D'HARRICANA & GATINEAU LTEE.	*1959	494,500	592,922	351,245	82,229	10.88	115,189	129,102	....	3.47	....	2.00	54,672	8,489	Hector Authier, chm.; Jean Beauchemin, pres.; Alfred Paradis, vice-pres.; J. R. Levesque, gen. mgr.; Pierre Langlois, sec.-treas.; Jos. A. Beauchemin, Thomas Guerin, Gerard Gingras, Frank Blais.
	1958	494,500	539,180	328,594	59,136	10.90	108,157	136,576	....	3.67	....	1.00+†0.80	99,361	▲35,489	
*Preliminary. †Stock divd. redeemed immediately.															
TRAMWAYS AND OTHER CO'S															
BRAZILIAN TRACTION	1958	129,736,265	132,718,037	58,682,077	21,746,105	....	.....	11,074,300	2,815	0.64	6.00	0.25	6,560,724	18,079,000	E. C. Fox, chm.; Henry Borden, pres.; J. Grant Glassco, exec. vice-pres.; Arnold Gaine, M. W. Sharp, G. R. F. Troop, vice-pres's.; F. A. Schuiman, asst. to pres.; R. T. Donald, sec.; R. E. Spence, treas.; A. R. G. Ament, compt.; N. D. Wilson, Beverley Matthews, E. G. Burton, W. C. Harris, W. E. Phillips, Dr. R. L. Hearn, N. J. McKinnon, J. A. Eccles, G. B. Gordon, Lazarus Phillips, Rt.-Hon. Lord Edward Bridges, John Phillimore, Maj. K. H. McCrimmon, Dr. Antonio Galiotti, Clarence Stanley, J. P. Grace, W. L. Cisler, Fernand Vanlangenhove, Pierre Ansiaux
	1957	137,160,730	174,006,751	64,372,852	19,897,110	....	.....	26,367,403	6,702	1.52	6.00	‡0.53	17,232,799	25,174,385	
‡Plus stk. dividend.															
ELK CREEK WATERWORKS	1958	433,500	193,952	125,338	37,735	4.37	25,010	41,313	....	0.38	....	0.20	19,313	38,569	B. H. Gunning, pres.; R. M. Brink, vice-pres.; William Fitch, sec.; L. J. Ladner, R. T. Bishop, H. B. McIntosh.
	1957	445,000	185,102	124,183	36,252	4.26	26,100	39,801	....	0.36	....	0.20	18,801	52,267	
*Loss or deficit. dDeficit per share. ▲Excess of current liabilities over current assets.															

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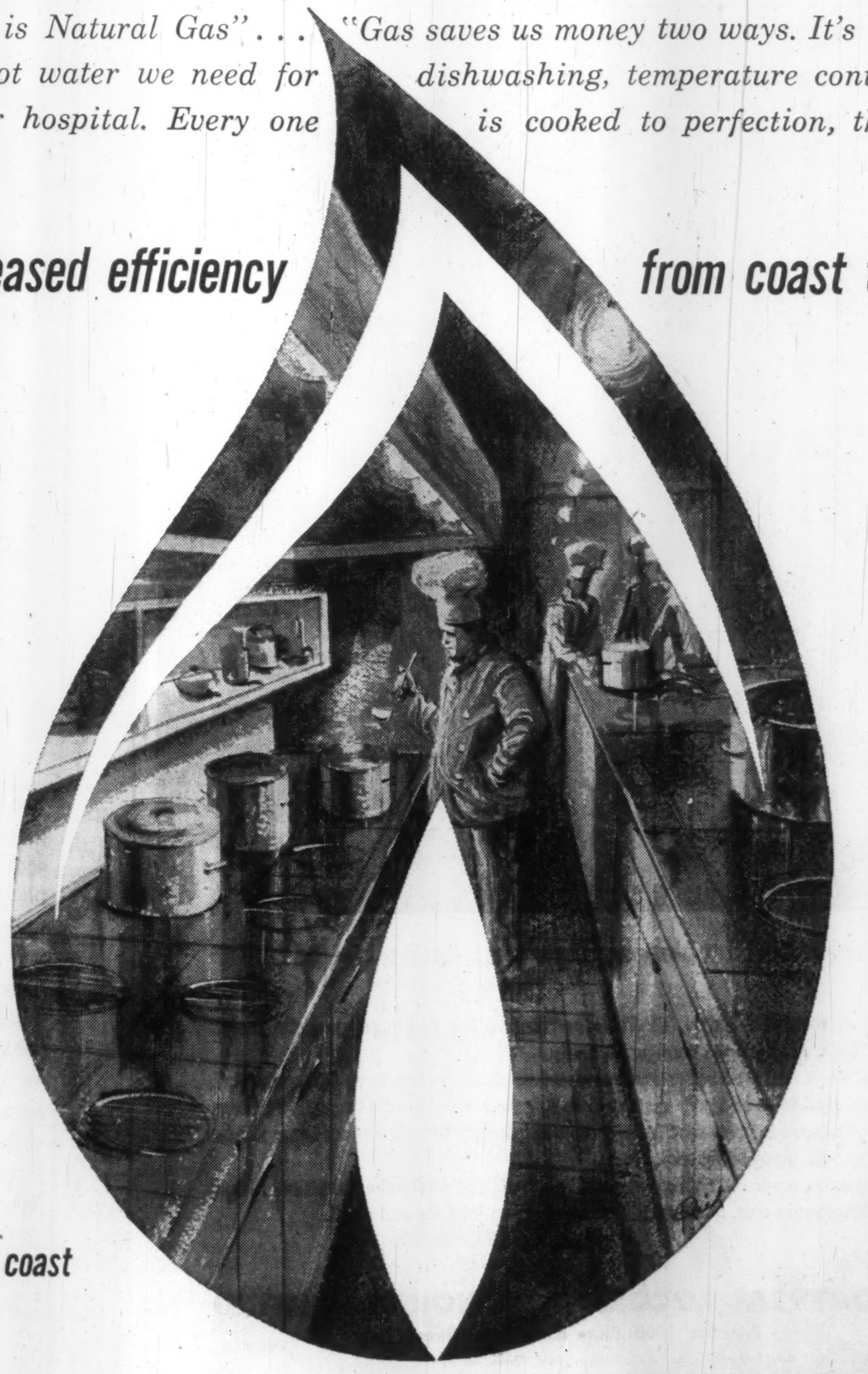

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Quebec Power Companies

Quebec's expansion topped all other provinces last year, when 1,457,800 hp of new capacity went into operation. This year, completion of construction projects already under way will add 1.1 million hp capacity, while a further one million hp capacity is foreseen in firm plans for succeeding years.

Gatineau Power

Gatineau Power Co. and its subsidiaries are engaged in the generation, distribution and sale of electricity in Quebec, and the sale of electricity in Ontario. Company's largest customer is the Hydro-Electric Power Commission of Ontario.

The New Brunswick Electric Power Commission took possession on May 1, 1959, of company's works at Grand Falls with a capacity of 80,000 hp, and the company has filed its claim for compensation in the New Brunswick courts.

Electricity required to supply company's retail customers rose by 11% to a record of 671 million kwh in 1959. Power resources were increased by the purchase of 25,000 hp from **Maclaren-Quebec Power Co.** Postwar, company has spent $27 million on expansion.

During 1959 the 240,000-volt transmission line from Lachute to Paquin was completed and placed in service at 110,000 volts.

A 69,000-volt line is under construction from St. Agathe to St. Jovite and rebuilding of the existing 26,400-volt lines for future 69,000-volt operation was continued between Rawdon and Ste. Julienne and between Paugan and Maniwaki. A 26,400-volt line was built from Dorion to a new substation on Ile Perrot.

The voltage on the distribution systems at Bristol, Norway Bay, Nominingue, Rivière à Gagnon and St. Lin was raised to 8,000-volt phase to neutral to improve the service in these areas. Distribution voltage on the Grenville system was increased from 2,300 to 4,600-volt.

Nearly 3,000 new customers were connected in 1959, bringing the total to 96,787.

Consolidated net profit for 1959 was $4,089,773 against 1958's $5,040,194. No part of the interest payable on the compensation due for New Brunswick properties has been included in 1959 income.

Water conditions on the Gatineau River were below average during the second and third quarters with the result that only a small amount of excess power was available for sale.

In first quarter 1960, water conditions were "appreciably better" than a year earlier. President G. G. Gale said that this would help earnings.

Expenses have increased due to higher corporation taxes and labor costs, and purchase of additional electric power, offset to some extent by elimination of New Brunswick expenses during the last eight months of the year.

In 1960 Gatineau plans capital expenditure of about $3.2 million ($2.7 million in 1959).

Gulf Power

Gulf Power Co. owns $25,000-hp development at 61 Falls on the Marguerite River in Quebec's Saguenay county. Placed in operation in May, 1954, the plant serves **Iron Ore Co. of Canada** at Seven Islands and **Gulf Pulp & Paper Co.** at Clark City.

Company holds contracts with Iron Ore Co. for 8,500 hp and with Gulf Pulp & Paper for 3,000 hp.

Of Gulf Power's outstanding 16,020 common shares, $100 par Gulf Pulp & Paper owns 8,171, or 51%, and Iron Ore owns 7,849, or 49%.

Lower St. Lawrence

Lower St. Lawrence Power Co. develops and distributes electrical energy in the Lower St. Lawrence area.

The original power development on the Métis River had installed capacity of 9,600 hp. A second development of 6,000 hp, 1.25 miles downstream from the original plant, was built in 1947. In addition, company operates a diesel power plant with capacity of 6,400 hp at Rimouski.

The total capacity of company's developments is 22,000 hp.

Apart from its own generating plant, company has access to wholesale power purchased from Quebec Hydro-Electric Commission. This source of power became available in 1956 under a 10-year contract.

Power is transmitted across the St. Lawrence River by high-voltage submarine cables which link company's transmission system on the south shore to the commission's Bersimis power developments on the north shore.

Sales of electricity rose 8.5% in 1959 and reached a total of 121 million kwh.

At year-end company served 32,360 customers, 555 more than at the end of 1958. Sales to residential and farm customers continued their rate of growth of recent years. Residential customers, the largest group, increased their total purchases of kwh by 10% and farm customers by 8.9%.

Company operates eight retail stores in its territory. Sales of household appliances and other electrical products for the year amounted to a record $1 million, an increase of 7.2% over 1958 and the highest in the company's history.

Net profit was $577,835, an increase of 13.8% over $507,419 in 1958. Earnings per common share were $2.39, compared with $2.03 in 1958.

Gross revenues from operations amounted to $3,409,099, an increase of $246,033, or 7.8% over 1958.

Maclaren-Quebec

Maclaren - Quebec Power Co., Buckingham, Que., is wholly owned by **Maclaren Power & Paper Co.** It produces and sells hydro power, having sites at High Falls and Masson Falls on Quebec's Lievre River. The two plants are connected by a 110,000-volt two-circuit transmission line.

Total installed capacity is 245,000 hp.

Almost all the power is sold under long-term contract to **Ontario Hydro** and to the **James Maclaren Co.**, a Maclaren Power & Paper subsidiary in the newsprint and lumber fields.

Net profit of Maclaren-Quebec in 1959 was $745,448 against $630,818 in the preceding year. Power sales were $3.8 million against $3.6 million.

Sister firm James Maclaren last year completed its Dufferin Falls development at Buckingham. Two 25,000-hp turbines have been installed.

Outstanding capitalization at Dec. 31 last included 50,000 npv common shares and $11.8 million 3% first mortgage bonds, Series A, due 1969.

Manicouagan

Manicouagan Power Co. is 60% owned by **Quebec North Shore Paper Co.**, 40% by **Canadian British Aluminum Co.** Company has been operating a hydro-electric plant at McCormick Dam at Baie Comeau, Que., since 1952.

Main users of company's power output are the paper mill and aluminum smelter, but power is also supplied to the town of Baie Comeau and the electrical co-operatives of Ragueneau and Manicouagan.

Within the last four years capacity has been increased from 100,000 hp to 250,000 hp with installation of three new generators to serve the CBA smelter.

To provide adequate water flow, Quebec Hydro constructed a $13 million storage dam at Lake Ste. Anne on the Toulnoustock River, a tributary of the Manicouagan. The dam creates a reservoir of 130 million cu. ft. of water.

In October, 1958, high water levels on the Manicouagan made it possible for CBA to begin the start-up of Stage Two and now the smelter is at capacity. The balance was put on the load in the first quarter of 1959.

A three-mile tie line has been completed between Quebec Hydro's Hauterive substation, fed by Bersimis to Manicouagan's substation at the McCormick Dam, through which power is relayed to CBA 11 miles away. Since August of last year company has been supplying power to **Cargill Grain Co.** at Baie Comeau.

Originally Manicouagan Power Co. was wholly owned by Quebec North Shore, a subsidiary of **Ontario Paper Co.**

Northern Que.

Northern Quebec Power Co. generates and distributes power to mining, commercial and domestic customers in Northwestern Quebec.

The new office building in Rouyn was completed and occupied in October, 1959.

Net profit for 1959 was $674,153 against previous year's $649,241.

Customers served by Northern Quebec Power increased during the year from 15,099 to 15,574. Output was up from 509,059,051 to 519,608,195 kwh.

Que. Hydro

Quebec Hydro - Electric Commission is a provincial crown corporation formed in 1944. At that time it acquired electric generating facilities for output of some 700,000 kw which in 1943 served about 280,000 customers in

(Continued on page 63)

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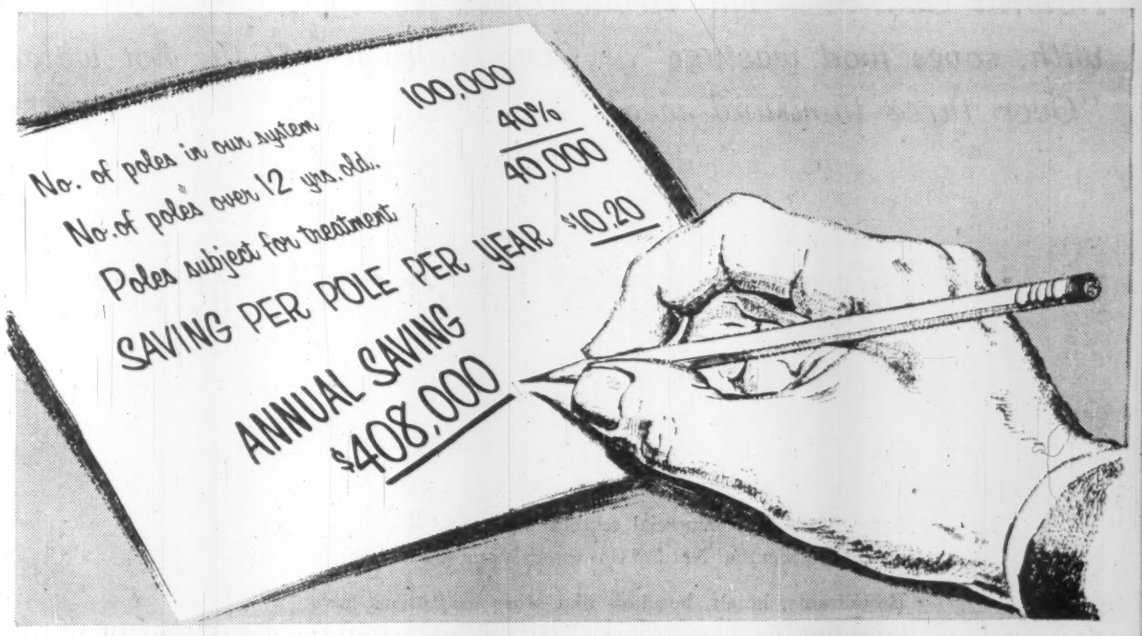

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c. Osmose Treating Price (Estimated)	$ 4.00*	
d. Annual Treatment Charges:		
Amortization based on 10 years	.40	
Simple interest at 5%	.20	
		.60
e. Savings for every year replacement can be deferred (b minus d)		$10.20

*Based on average 1958 costs.

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Quebec Power Cos.

(CONTINUED FROM P. 62)

Montreal area with 5,600 million kwh.

In the first nine months of 1959, the rapidly expanding commission generated 9,771 million kwh (12,622 million in all 1958); purchased 563 million kwh (773 million); sold 9,767 million kwh (12,420 million).

Total electric sales have risen from $53.9 million in 1954 to $80.3 million in 1958 and $64.6 million in the first three quarters of last year.

With completion of major generating projects under construction (at Beauharnois near Montreal, Bersimis II in the North Shore area of the Lower St. Lawrence and Carillon on the Ottawa River) installed capacity will rise to about four million kw (more than 5.3 million hp).

The three projects now being built:

Bersimis II is virtually complete, adds 600,000 kw to the existing 900,000 of Bersimis I.

Beauharnois III should be finished early next year, will add 605,000 kw to the 1,020,000 of Stages I and II.

Carillon is in the early stages of construction, is a 626,000 kw peak load plant, should be producing by latter 1962. Cost: Some $200 million.

Elsewhere, Hydro is working on an access road to power sites on the Manicouagan River, which flows into the St. Lawrence below Bersimis.

Hydro presently envisions three Manicouagan powerhouses with total capacity of three million kw. Potential of the Manicouagan system is put at 4.5 million kw. Construction schedule here hasn't yet been announced.

The commission continues to study possibility of a 675,000-kw plant at Lachine near Montreal on the St. Lawrence River. Cost might be $275 million. Much research is being done on ice problems.

It has been estimated that Quebec Hydro will spend roughly $1,000 million in the next 10 years.

Current expansion program covers the period from late 1955 through 1961. It will involve expenditures of $644 million. By September, 1959, some $175 million was left to be spent.

This included $23 million for a new head office building and large underground substation in Montreal. Construction here is well advanced.

Hydro operates three systems: Montreal, Northeastern Quebec and Northwestern Quebec.

Montreal system serves about 510,000 customers. It also sells to **Ontario Hydro** (a contract for 186,500 kw to 1976) and **Aluminum Co. of America** at Massena, N.Y. (55,950 kw to the year 2000). The system's power sites are Beauharnois, Cedar Rapids, Rivière des Prairies.

The northeastern system has the Bersimis site, which supplies large quantities of power to more heavily populated regions up-river.

The northwestern system has small power plants on the Upper Ottawa River. It's not interconnected with the Montreal System.

Hydro's gas properties were sold in 1957 to **Quebec Natural Gas Corp.**

Ottawa Valley

Ottawa Valley Power Co., Montreal, owns or holds under lease from the Quebec Government all water power rights in Quebec at Chats Falls on the Ottawa River. The lease extends 75 years from March, 1926.

Water power rights in Ontario at Chats Falls are held by **Hydro-Electric Power Commission of Ontario**, with whom the company developed the site.

Company is controlled by **Calgary Power Investments Ltd.**

It has a power house containing eight units of 28,000 hp each, four on each side of the interprovincial boundary.

Company delivers all available power to Ontario Hydro under a long-term contract. This provides for payment for 96,000 hp by the Commission at $12.50 hp per annum, subject to various adjustments.

Net profit of $314,695 for 1958 was down from $368,865 the year before.

Quebec Power

Quebec Power Co. — controlled by **Shawinigan Water & Power Co.**—provides electric light, power and gas to Quebec City and the adjacent area on both sides of the St. Lawrence River. Population in the region served is about 500,000.

Revenue from sale of electricity rose 8.8% last year to $15.2 million. Power sales to larger industries rose 6.2% compared with a rise of 3.9% in 1958. Revenue from gas sales slipped 4.5%.

In first quarter 1960, electricity revenues were 5% higher than in January-March, 1959, while gas revenues dropped slightly. Total operating revenue was 4.9% higher at $4.3 million, while operating expenses climbed 5.3% to $3.8 million.

Net profit for the first three months of this year was $393,600 or 56c a share, up 5.9% from $371,697 or 54c in the 1959 period.

Quebec City is one of the few Canadian cities where the manufactured gas industry still survives in competition with low-priced electricity. It's predicted that natural gas lines eventually will be extended to Quebec City from Montreal. Studies of the potential gas market in the Quebec capital already have been made.

Company has incorporated a new subsidiary, **Frontenac Gas Ltd.**, to undertake, if and when desirable, all operations related to sale and distribution of natural gas in the city and district.

A further development was sale early in 1959, of subsidiary **Quebec Autobus Ltée.**—the Quebec City transit system — to **Transport Regional Ltée.** Proceeds will be used for expansion and improvement of electric and gas services.

Capital expenditures last year totaled $3.1 million. Predicted for this year: $3.6 million, with even larger amounts in subsequent years. Money in hand and to be generated internally will meet capital needs in 1960 but by the end of 1961 company will probably have to raise new money.

Demand for power is growing rapidly. Electricity revenue rate is nearly 2½ times that of 10 years ago. The big jump in 1959 resulted in an increase in cost of power purchased from $5.2 million to more than $5.9 million. Company owns and operates hydro plants with combined capacity of 42,000 hp.

Net profit in 1959 was $1,681,226 ($2.41 per common share) compared with $1,611,833 ($2.33) in 1958. Total revenue was $15.9 million compared with $14.6 million.

Saguenay Power

Saguenay Power Co., controlled by **Aluminium Ltd.**, operates the huge Isle Maligne hydro site. Subsidiary **Saguenay Electric Co.** distributes power to more than 50 communities in the Lake St. John and adjacent areas. Subsidiary **Saguenay Transmission Co.** carries power from the generating station to most customers.

Plant has a capacity of 540,000 hp, almost 80% of this being supplied under long-term contracts to large industrial users. These include **Aluminum Co. of Canada, Shawinigan Water & Power Co., Consolidated Paper Corp., Price Bros., St. Lawrence Corp.**

Consolidated net profit in 1959 was $1,534,530 ($1,483,003 in 1958). Revenues were $14.9 million ($14.1 million). Funded debt of Saguenay Power and Saguenay Electric totals $21.8 million. Saguenay Power has 210,000 npv common shares outstanding, more than 90% owned by Aluminium Ltd.

Shawinigan

Shawinigan Water & Power Co., Montreal, directly and through subsidiaries produces and distributes hydro power in the Province of Quebec.

The company, one of the largest of its kind in the world, also has substantial interests in other public utility companies and through a wholly owned subsidiary manufactures industrial chemicals.

Consolidated net profit for 1959 was $13,175,472 ($1.45 per common share) compared with $13,812,825 ($1.62) in 1958.

The figures reflect consolidated accounts of Shawinigan, **St. Maurice Power Corp.** and **Southern Canada Power Co.**

First quarter 1960 net profit was $3,583,577 or 40c a share, up 13.9% from $3,145,945 or 36c in January-March 1959. Revenue from electricity sales rose 8.3%, while operating expenses were 9.7% higher.

In 1959 total electricity revenues at $75.9 million were up 8.6% from 1958. Total operating expenses at $59.1 million were 9.9% higher. The increase was due to higher provision for depreciation, taxes on income and increased payments for purchased power.

Dividends from subsidiary firms were up 36% at $1.6 million.

At the annual meeting in March shareholders were told that in the five years 1960-64 Shawinigan's capital spending may total $225 million. This will reflect expected construction of new power projects, hydro or thermal or both.

It's likely that a new project will be started next year, resulting in the need for additional funds from investors. This year's capital spending is expected to be slightly more than the $17.5 million spent in 1959.

Company expects a moderate increase this year in earnings per common share and foresees revenue from electricity sales rising about 8%.

It also anticipates a further improvement in 1960 in the earnings of **Shawinigan Chemicals Ltd.** The chemical company last year had net profit of $1.9 million compared with $865,000 in 1958.

Last year's 4.6% drop in net profit was less than expected as a result of the large jump in sales of electricity. Company's revenue from primary electricity sales has approximately doubled since 1951. Outlook is for gains of similar size in the next decade since company's area in the St. Lawrence River valley is showing quick industrial and population growth.

Purchases of firm power from **Quebec Hydro** under the Bersimis contract increased from 180,000 to 240,000 kw last fall. The full contract amount of 300,000 kw will be reached this fall. Total of kwh sold by Shawinigan in 1959 was 12,028 million compared with 10,973 million in 1958.

During 1959 Shawinigan issued 118,909 common shares to **Union Carbide Canada Ltd.** to purchase latter's interest in **Canadian Resins & Chemicals Ltd.**, which is now being operated as a division of Shawinigan Chemicals.

Another subsidiary, **Shawinigan Engineering Co.**, was less active in 1959. However, its business prospects are regarded as "excellent."

It's a 20% owner of **Hamilton Falls Power Corp.**, of which **British Newfoundland Corp.** is majority owner. Hamilton Falls is the controlling interest in a company which is developing a 120,000-hp plant at isolated Twin Falls in Labrador. This will supply power to nearby iron projects.

Company says power costs are on the rise. New hydro developments call for higher capital investment because of rising construction costs and longer transmission distances; thermal production costs are going up because of rising fuel and labor rates; money costs more.

Power men have said that it is becoming increasingly difficult to hold the price line.

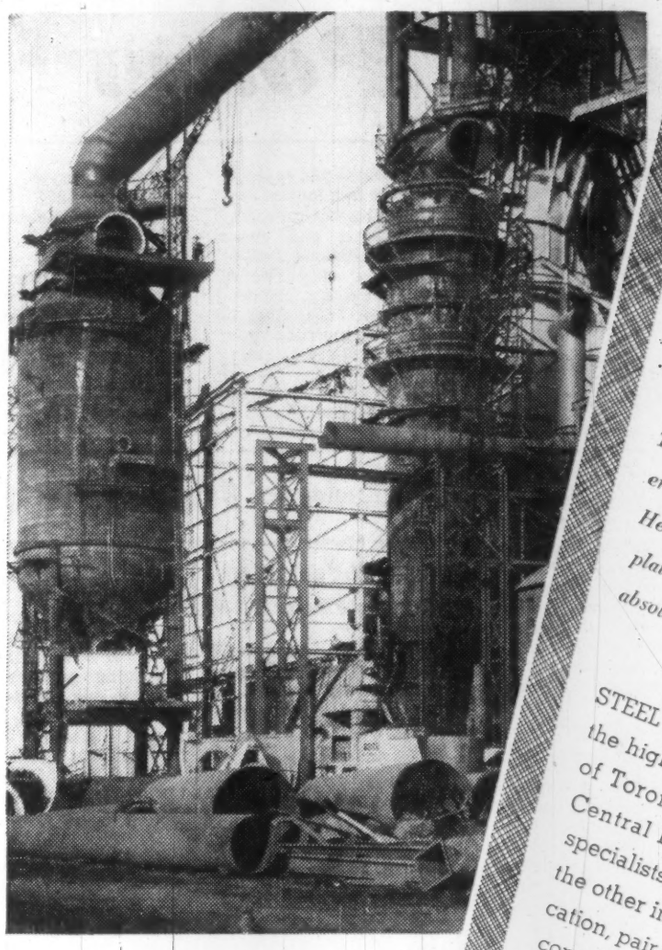
Smelter Power

Smelter Power Corp. was incorporated in late 1955 to build and operate a hydro-electric generating station in Chicoutimi Falls, Que.

Company is a wholly owned subsidiary of **Nickel Mining & Smelting.**

Operation of the 42,000 hp hydro plant began in 1957. Since then delivery of power has been made under a contract with **Saguenay Trans-**

(Continued on page 64)



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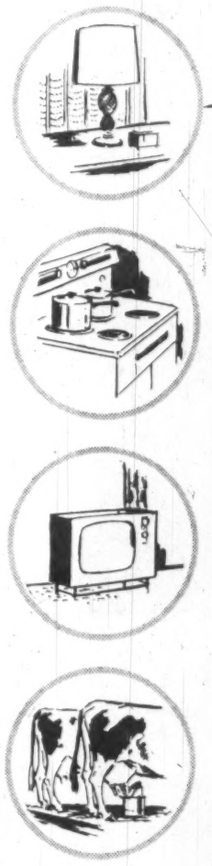

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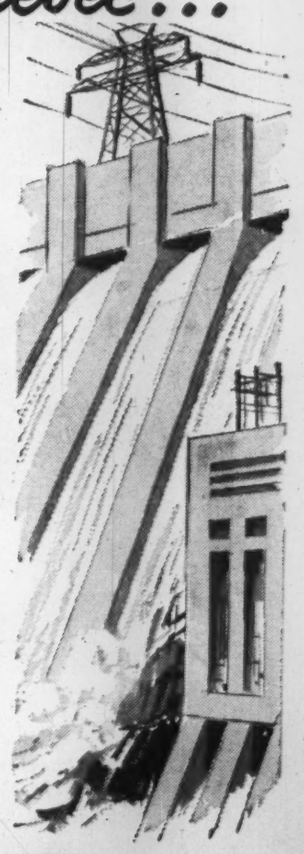

LA PROVINCE DE Québec

For information on industrial possibilities in La Province de Québec, write: Honorable Paul Beaulieu, Minister, Department of Trade and Commerce, Parliament Buildings, Québec City, Canada.

Published by the Provincial Publicity Bureau

Atlantic Power Cos.

Construction of main transmission lines, distribution lines and substation capacity is being pushed in the Atlantic Provinces, as well as significant expansion of thermal-electric capacity.

Bowater Power

Bowater Power Co., a subsidiary of **Bowater Corp. of North America**, has hydro plants at Deer Lake and Corner Brook, Nfld., with a total installed capacity of 168,000 hp.

Company was incorporated in 1955 to acquire Bowater's **Newfoundland Pulp & Paper Mills'** hydro-electric power assets, including undeveloped water power and water power rights in Newfoundland.

The Bowater mills are the company's chief customer.

Bowater Power also supplies **Buchans Mining Co., Newfoundland Light & Power Co.**, and **North Star Cement Ltd.**

In 1958 company completed expansion of its facilities at Corner Brook. A plant with 12,000 hp capacity was brought into operation. Total cost was about $2.5 million.

This year work was begun on installing new lines between Deer Lake and Corner Brook that will allow a 5% increase in electricity production. This work will cost $1 million.

Canada Electric

Canada Electric Co. was incorporated in Nova Scotia in 1889 and is a subsidiary of **Eastern Utilities Ltd.** It supplies electric power and light in northwestern Nova Scotia and southeastern New Brunswick.

Company has a generating plant at Maccan, N.S., with capacity of 40,000 hp.

Net profit in 1959 was $132,129 compared with $151,788 in 1958.

Closing of all coal mines at Springhill caused a substantial reduction in power sales for the year. However, other departments showed an average increase of over 11% over the previous year.

Capital expenditures were $251,104.

Eastern Electric

Eastern Electric & Development Co. is a wholly owned subsidiary of **Eastern Utilities Ltd.** It operates an electric transmission and distribution system, serving some 1,500 connections in the Sackville area of New Brunswick.

Energy is purchased from **Canada Electric Co.**, also a subsidiary of Eastern Utilities, which has a generating plant at Maccan, N.S.

Eastern Light

Eastern Light & Power Co. distributes electricity in Sydney, North Sydney, Sydney Mines and various county districts in the industrial area of Cape Breton.

Gross operating revenues for 1959 were $2,264,645 compared with $2,104,008 in the previous year. Operating expenses, including taxes, were $2,039,426, an increase of 8.2% over 1958.

Capital expenditures decreased to $453,857 from $478,313 the year before. The major items in these construction expenditures included additions and replacements to the distribution system, increasing the capacities of substations, and street lighting installations, including a further expansion of sydney's street lighting program by the installation of new 400-watt mercury vapor and fluorescent street lighting fixtures.

Company continues to enjoy a normal load growth in all areas served, and the prospect for 1960 is that these levels will be maintained and improved.

Eastern Utilities

Eastern Utilities Ltd., Charlottetown, P.E.I., is a holding company interested largely in the distribution of electric light and power.

Wholly owned subsidiaries: **Canada Electric Co., Joggins Coal Co.**, and **Maritime Coal, Railway & Power Co.**, all with head office at Amherst, N.S.

Canada Electric operates a power plant of 40,000 hp capacity at Maccan, N.S., with distribution in Cumberland County, N.S., and Westmorland County, N.B.

Joggins Coal Co. operates the Bayview mine at Joggins, N.S.

Maritime Coal, Railway & Power Co. operates a railway between Joggins and Maccan on the CNR and serves the coal mining district in that area.

Financial statements for 1959 are not yet available.

Nfld. Light

Newfoundland Light & Power Co. distributes electricity in St. John's, Corner Brook, Grand Falls, Windsor, Bishops Falls, Botwood, Gander and Lewisporte.

Number of customers at year's end was about 28,000, more than double the total in 1950.

Generating capacity of St. John's division is 99,000 hp, 56,500 being provided by seven hydro plants, the rest by a steam generating plant and an auxiliary diesel plant. An extension of the steam plant will be in use this year.

The 17,000 hp hydro plant at Rattling Brook, which started up late in 1958, was in full operation last year, supplying the entire central division with the exception of Botwood. Western division power is purchased from **Bowater Power Co.**

Net profit in 1958 (latest available) was $851,768 against $832,810 in the preceding year. Per share earnings were $4.26 against $4.16. In December, 1959, and March, 1960, company paid common dividends of 50c a share. Previously quarterly dividends of 45c a share were paid from September, 1957.

Long-term debt includes $10 million first mortgage bonds and $4.3 million general mortgage bonds. Outstanding equity capital consists of 20,000 5% cumulative $100 par redeemable preference shares and 176,273 $10 par ordinary shares.

(Continued on page 65)

Quebec Power Cos.

(CONTINUED FROM P. 63)

mission Co. calling for 20,000 hp daily.

Capitalization includes $5 million 5¾% first mortgage bonds due May 1, 1977, of which $4,061,500 were outstanding at Dec. 31, 1959.

Southern Canada

Southern Canada Power Co. and subsidiaries supply power to 91,000 customers (87,000 a year ago) in Southern Quebec between the St. Lawrence River and the U. S. border. Company has a chain of retail stores which last year sold $1.8 million worth of appliances.

Shawinigan Water & Power Co. owns almost all common shares of Southern Canada.

Sales of electricity last year rose 9.5% to a record $13.1 million. Output of electricity rose 11% in 1959, topping 1,000 million kwh for the first time. Expenditure for new plant and equipment was $2.1 million in 1959, $1.8 million in 1958.

Company maintains industrial development offices in New York and Montreal. Sixty-four new industrial customers were connected in 1959.

Consolidated net profit last year was $1,891,179 ($3.49 per common share) compared with $1,925,999 ($3.57) in 1958. Gross revenue was $13.3 million ($12.1 million).

Outstanding capitalization Dec. 31 last included 70,889 $100 par 6% cumulative participating preferred shares; 400,000 npv common shares; $11 million first mortgage bonds, including $6 million 3½% Series B, due 1976, $2.5 million 3½% Series C, due 1976, $2.5 million 3⅜% Series D, due 1981.

St. Maurice Power Corp.

St. Maurice Power Corp. is wholly owned by **Shawinigan Water & Power Co.** and its financial statements are consolidated with those of the parent.

St. Maurice owns a hydro site and plant at La Tuque, Que. Under agreement extending to 1970 the parent will operate the development as part of its St. Maurice River system.

The plant came into commercial operation in 1940 at 178,000 hp, has since been boosted to 285,000 hp.

Company was owned jointly by Shawinigan and **Brown Co.** until 1954, when Shawinigan purchased the Brown interest for $4.5 million.

Funded debt Dec. 31 last was $10 million in 3¼% first mortgage sinking fund bonds, Series A, maturing in 1970.

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Atlantic Power Cos.

(CONTINUED FROM P. 64)

N. B. Electric

New Brunswick Electric Power Commission supplies most of the province with power.

Generating capacity was increased by 63,000 kw last year when the **Gatineau Power Co.** hydro plant at Grand Falls was acquired by the provincial utility.

Total generating capacity of the commission now is 267,725 kw., 67% of the total generating capacity of the province. It will be further augmented by 50,000 kw in July, 1961, when the first unit of a 200,000 kw thermal plant now under construction at East Saint John goes into operation.

Increase in generation capacity was paced by a substantial increase in the kilowatt hours generated by all commission plants. For the first time in history total kwh produced by the system's generating stations exceeded 1,000 million.

New Brunswick's part in the construction program that will interconnect the electric generating systems of New Brunswick and Nova Scotia is scheduled for completion by early summer.

In addition to the 35 miles of steel tower transmission lines between Moncton and the Nova Scotia border it was necessary for the New Brunswick utility to build a major extension to its Moncton terminal to provide for the interconnection take-off. New Brunswick's share in the cost of the power pool is expected to exceed $1 million.

Revenue from the sale of power during the year ended March 31 reached $16 million, up 3¾% from the previous year. Customers served increased by 18,000, passing the 100,000 mark.

Plans are under way for installation of a third 36,000 kw generating unit at the Beechwood hydro development on the St. John River. It will step up station's capacity to 108,000 kw.

While construction is being carried out on a wide range of projects, study of the power potential of the St. John River continues under the direction of the St. John River Board. An estimated 750,000 kw of power remains to be developed in the 140-mi. stretch of the river between Grand Falls and the head-of-tide at Fredericton.

Sales of electricity continue to show a healthy increase in New Brunswick. Although the average use in the province is still well below that of all Canada, the gap is beginning to close.

Last year the commission's percentage rate of increase for domestic users, over the previous year, was almost three times the national average.

N. S. Power

Nova Scotia Power Commission expects that capital spending in 1960 will be $6 million, which is slightly below last year.

A good portion of this spending will be for completion of the heavy transmission program, commenced by the commission in 1959.

The interprovincial interconnection with New Brunswick, which is nearing completion, constitutes part of this program, along with an extension of the commission's 138 kv circuits across northern Nova Scotia and into Cape Breton.

As a result of the extension of the grid to Cape Breton, the commission will now supply that area from its own generating facilities rather than by purchased power as in the past. In the western part of the province, 30 miles of 69 kv circuit will be added.

A 20,000 kw addition to the Trenton steam station was completed in November, bringing capacity of this plant to 60 megawatts. Work will continue during 1960 on two plants of the Sissiboo River development in Digby County.

These two plants at Sissiboo Falls and Weymouth Falls are expected to be in operation before the end of the year, and will total 15,000 kw out of an eventual overall capacity of 25,000 kw.

Over-all sales were up 5% in 1959, despite loss of industrial load in some coal mining areas. Retail sales showed an increase of 12% due in part to an energetic sales program carried out during the year.

The commission introduced standard rates early in the year and followed this by the introduction of a finance plan, which provided loans to its customers for the purchase of certain major appliances and the rewiring of their premises.

Sales in 1960 are expected to show an increase at least equal to that of 1959.

N. S. Light

Nova Scotia Light and Power Co. is the largest retail distributor of electricity in the Maritimes. Company, together with its subsidiaries, serves about half the electric customers in Nova Scotia.

Company supplies electricity to the Greater Halifax area, Annapolis Valley and parts of central Nova Scotia. It operates public transportation system in Halifax.

Wholly owned subsidiary companies are **Edison Electric Light & Power Co.** of Springhill, **Milton Hydro Electric Co.**, and **Western Nova Scotia Electric Co.**

Population of the areas served is more than 300,000. Electricity customers number more than 93,000.

Audited figures for 1959 are not available. However, company reports a good earnings picture, with earnings per share $1.30 against $1.16 in 1958.

Sales of electricity were up 10.5% over 1958. Revenue also was up 10.5%. Company reported increasing demand during the first quarter of 1960.

The largest single project of the year's construction program was the commissioning on Oct. 30 of a 45,000 kw turbo-generator unit in the Water St. thermal generating station. This unit is a duplicate of the unit installed in 1957.

Built in stages since World War II, the station has reached ultimate capacity of 165,000 kw.

Future thermal generating facilities will be developed on a new site purchased several years ago at Tufts Cove on the Dartmouth side of the harbor.

It is proposed that this new station will have an ultimate capacity of 500,000 kw. Considerable planning and design work has already been done.

Engineering planning and design was continued for two hydro developments on the Nictaux and Lequille Rivers. These two developments, about equal in size, will total 14,000 kw. Construction has already started on the Lequille plant, project on the Nictaux is still at the planning stage.

Major undertaking in transmission was company's portion of the 138,000-volt interprovincial grid line connecting company's system with those of Nova Scotia Power Commission and New Brunswick Electric Power Commission. Line will be in operation by mid-1960.

Work was commenced on the building of the 69,000-volt line from Armdale, around the north end of Halifax, and across the harbor to Tufts Cove. Foundations for the steel towers have been laid and operation of the line is scheduled to meet completion of the interprovincial grid line.

During 1960, installations will be made to supply the new international airport, new industries, and to meet growth in towns and communities on company's system.

For the second year in a row, rainfall was higher than normal and helped to improve operating results. Company hydro plants produced more electricity than in 1958 and 18% more than a year of average rainfall.

Additional ordinary share capital was raised in December, 1959. The 345,628 shares which were sold provided $4,147,536. Employees also purchased 3,018 additional shares by a payroll deduction plan.

Outstanding capitalization at Dec. 31, 1959, included $26.6 million first mortgage sinking fund bonds; $2 million 4% $100 par, $7,757,200 4½% $100 par, and $2,029,000 5% $50 par preferred shares; and 1,593,913 npv ordinary shares.

Seaboard Power

Seaboard Power Corp. is a wholly owned subsidiary of **Dominion Steel & Coal Corp.** Its system is interconnected with the power stations at the Sydney, N.S., steel works and the coal mines of associated companies.

Power is also supplied to **Eastern Light & Power Co.**

Company's power station at Big Glace Bay Lake is equipped with six generators. Total installed capacity is 97,750 kw.

Company says sales for 1960 will be 272.8 million kw, some five million less than in 1959, representing the first downturn in 32 years.

Reasons are curtailed coal production by the parent company and certain rearrangements of power distribution between Trenton and Glace Bay by Nova Scotia Power Commission.

Last year company issued $2,250,000 5¾% first mortgage serial bonds, Series D. Non-callable for refunding prior to 1969, they were placed privately by **Wood, Gundy & Co.**

United Towns

United Towns Electric Co. supplies electricity to more than 150 communities on the Avalon and Burin peninsulas of Newfoundland. Company and its subsidiary, **West Coast Power Co.**, serve nearly 30,000 customers, mostly in rural areas.

There are about 5,000 customers in the suburbs of St. John's where a mushrooming population has created rapid increases in demand.

Output in 1959 was 78.2 million kwh, up from 63 million five years ago. Company is anxious to secure additional supplies of power to supplement existing sources and is negotiating with **British Newfoundland Corp.** for the purchase of power from a proposed hydro development at Bay d'Espoir on the south coast.

United Towns has nearly completed a $6 million rebuilding program of its pole line system throughout the island. New creosoted poles have an average life of 40 to 50 years compared with seven years for the old poles.

Net profit in 1959 was $351,543 compared with $421,850 in 1958. The drop was partly a result of sharply increased amounts of power purchased.

Funded debt at year-end was $7.7 million and included $6.1 million in five series of first mortgage sinking fund bonds; $356,000 in general mortgage bonds; $414,000 in income bonds; $815,000 in subsidiaries' bonds.

Last month, $2 million 7% 25-year bonds were placed privately.

Outstanding equity capital consisted of 200,000 5½% cumulative redeemable $10 par preference shares and 276,263 $10 par ordinary shares.

Maritime Electric

Maritime Electric Co., Charlottetown, P.E.I., has a 20,000 kw steam plant which supplies light and power facilities to Charlottetown, Montague and about 25 other communities throughout the province of Prince Edward Island.

Company also supplies the city of Fredericton, N.B., with power which it buys from the New Brunswick Electric Power Commission.

In Prince Edward Island, Maritime Electric Co. has one 4,000 kw and two 7,500 kw turbo generators, in addition to several small old units which are available for standby capacity.

A program to increase capacity by some 50% is to be completed by next year. Plans call for the installation of a 100,000 lb. per hr. boiler this fall, and a 10,000 kw turbine in July, 1961.

It was reported earlier that this expansion program might eventually require the company to undertake further financing.

Maritime Electric Co. is working with the government of Prince Edward Esland on a program of rural electrification.

In 1958 (latest data available) net profit was $327,360, up from $288,976 the previous year.

Outstanding capitalization at Dec. 31, 1958, included $2.4 million 4% first mortgage bonds, due 1975; 7,500 5% cumulative redeemable preferred shares, par $100; and 150,000 npv common shares.

Earned surplus at the end of 1958 stood at $1,796,481, compared with $1,506,621.

Capital surplus was increased by $12,702 during 1958, to $404,438, by profit on sale of property in Fredericton.

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Telephone Cos.

Avalon Tel.

Avalon Telephone Co. owns and operates the telephone system in St. John's, Nfld., and surrounding districts. It also serves Corner Brook, Grand Falls and other areas in Newfoundland. Population of its territory exceeds 200,000.

Telephones installed at year's end totaled 45,754 (91.3% of them automatic), up from 42,400 a year earlier.

Company expects further rapid growth, since telephone density in Newfoundland is considerably below the Canadian average. Net profit in 1959 was $441,284 against $392,095 in 1958.

Outstanding funded debt includes $5.9 million first mortgage bonds and $440,000 general mortgage bonds. Outstanding equity capital consists of 351,558 shares of $5 par ordinary stock and $25 par preference stock as follows:

16,000 shares 7% cumulative redeemable convertible; 24,729 shares 6% cumulative redeemable convertible; 25,941 shares 5½% cumulative redeemable convertible; 60,000 5½% cumulative redeemable; 40,000 shares 5½% (1958 series) cumulative redeemable; and 33,330 5½% (1959 series) cumulative redeemable.

Late in 1959 shareholders approved an increase in authorized capitalization from $7.5 million to $20 million.

President S. H. Morris said additional capital is needed to continue company's long range program of expansion.

Recently, a $2 million issue of 7% first mortgage 20-year sinking fund bonds was placed privately, at par.

Alberta Govt.

Alberta Government Telephones operates throughout the province. It had a total of 219,579 subscribers at the end of 1959, a year-to-year gain of 13%. Including the City of Edmonton Telephone System and the provinces' 953 rural mutual companies, AGT served a total of 366,945 subscribers, 12.3% more than at the end of 1958.

Total revenues amounted to $15,412,447 in 1959, up 14.4% from 1958.

Capital expenditures last year totaled approximately $19 million including dial conversions at St. Paul, Edson, Sherwood Park, Fort McMurray and Raymond and a 6,000-line exchange for Calgary. An extensive recabling job, costing $2 million was also carried out in Calgary.

Expenditures for capital additions in 1960 are estimated at in excess of $25 million. Nine exchanges will be converted to dial and dials added to another nine exchanges.

Additional toll facilities will be installed and cable distribution systems will be expanded in 50 centres.

The equipment and building in Red Deer is being completely replaced at a cost of $2.6 million to provide for subscriber distance dialing.

Conversion has started on a heavy route microwave system from Edmonton to Vegreville with light routes from Vegreville to St. Paul and Wainwright. Extensions of the Edmonton-Calgary-Lethbridge system to the U. S. border and from Edmonton to Grande Prairie and Peace River are expected to cost $5.5 million.

At the end of 1959, total plant investment amounted to $140,026,774, ($122,353,754 at the end of 1958).

Canada's telephone utility group spent an estimated $316 million last year for capital construction, machinery and equipment. This year, the forecast is that outlays will rise by 8.8%, to $343.9 million.

B. C. Telephone

British Columbia Telephone Co., Vancouver, passed the half-million mark in telephones served during 1959.

Company, which operates under a perpetual franchise, is the second largest privately owned system in Canada. It owns and operates over 90% of the telephones in the province.

Installations last year of cordless toll switchboards at Vancouver and Victoria, made it possible for long distance operators to dial directly to some 50 million telephones on the continent.

Four company-owned submarine cables are in operation between the mainland and Vancouver Island. Through interchange arrangements, connections are maintained with other parts of Canada, U. S., U. K., and Europe.

Capital expenditures in 1959 totaled nearly $41 million, increasing total plant investment to $243,691,000.

Included in the construction program was a $4.5 million addition to the William Farrell building in Vancouver. Kerrisdale and Glenburn offices were converted to dial.

Between $40 and $50 million will be spent this year for conversion of 10 central offices to automatic operation and the construction of a $2 million warehouse, stores and repair centre in Burnaby, B.C.

Total operating revenues in 1959 were $54,867,000 ($44,876,593 the year before). A rate boost averaging 11% which became effective Jan. 1, 1959, accounted for part of the increase.

Operating expenses increased to $43.8 million from $38 million, leaving a net profit of $6,672,300 ($4,173,071 in 1958).

Earnings per ordinary share were $3.04 against $1.72.

Rights offered to shareholders early in 1959 increased ordinary shares outstanding to 1.5 million.

A new issue of $15 million 6% 25-year first mortgage bonds, series H, was sold in the fall. Proceeds were used to retire bank loans.

An additional issue of $12 million 6¼% cumulative preferred shares, $100 par, was sold last month.

Outstanding capitalization, including the latest issue, comprises $102.5 million in eight series of first mortgage bonds; $3,193,000 15-year 4% short-term notes due Nov. 1, 1962; $53.5 million in eight issues of preferred shares; and $37.5 million common stock.

Company is controlled by **Anglo-Canadian Telephone Co.**

An associate company, **North-West Telephone Co.**, operates radiotelephone coastal service in Canada serving ships and land points.

Bell Telephone

Bell Telephone Co. of Canada owns and operates the largest telephone system in Canada.

Company's operations are in Ontario and Quebec where at Dec. 31, 1959, it had 3.3 million telephones in service, up 191,000 from a year earlier. Number of long distance calls in 1959 was 9% higher than in previous year.

Net profit for 1959 was $50,283,578 ($2.48 per common share) compared with $38,899,289 ($2.15) in the previous year.

In 1959, operating revenues were 14.5% higher than in the previous year. Reasons for the increase include higher rates approved by the Board of Transport Commissioners which came into effect at the end of 1958, improvement in Canada's general economic climate and increased sales promotion, company says.

Local service revenues during the year were 15% higher than in 1958; long distance revenue increased 14% while other operating revenues rose 14.5%.

Company reports operating expenses increased only 7% despite a 16% increase in depreciation expense and higher wage rates which went into effect in September last year.

During 1959 company raised $124.1 million in new money.

Sources included $30 million 5¼% bonds sold in January, $85.6 million realized through sales of common stock to shareholders under rights at $33 per share in March, $9.3 million from sale of stock under the employees' stock purchase plan.

In January this year company received proceeds from a $35 million 6¼% bond issue dated Jan. 2, 1960, and maturing Jan. 2, 1978.

The 6¼% coupon, company notes, is the highest interest rate it has been called upon to pay in nearly 40 years.

During 1959 company spent $196 million on capital improvements. Some 40 manual exchanges were converted to dial and company erected new buildings or built extensions to existing ones in 97 communities.

In the field of long distance telephone developments, a new radio relay system connecting Montreal and North Bay went into operation in 1959. New systems between Toronto, London and Windsor, Ont., were also brought close to completion in 1959.

As part of company's microwave expansion program, capacity of the existing system between Sault Ste. Marie and Sudbury was increased.

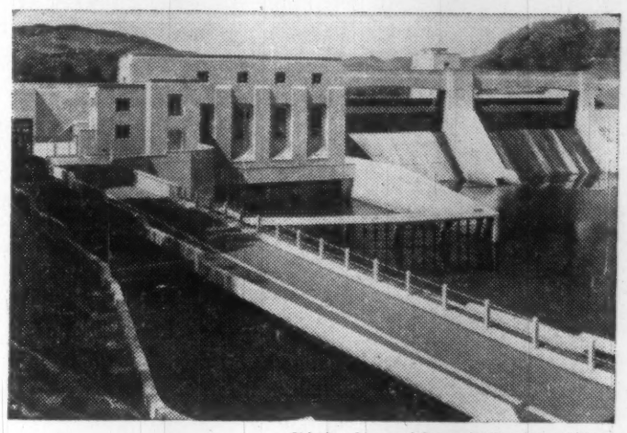
Another TV channel has been added between Toronto and Buffalo.

In Quebec, company completed a 120-mile radio spur to serve the new mining settlement of Gagnonville. In addition it brought network TV to Rouyn, Que., and Kenora, Ont.

A new long distance cable was built from Quebec City to the Chicoutimi and Lake St. John regions via Laurentide Park. This permitted company to provide public telephones along the scenic

(Continued on page 67)

Engineering Progress



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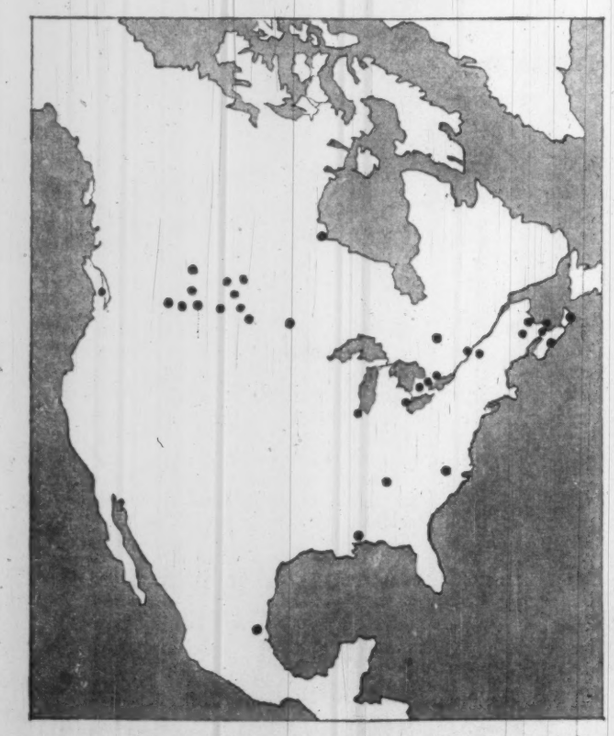


To be exact — one hundred and nine turbo-generators varying from 50 kw to 500,000 kw are in service or on order for this Continent.

A tribute indeed to Parsons engineering efficiency — Right product — Right delivery — Right price — Right service.

Britain cannot buy from Canada with Sterling. Britain can only buy with Canadian dollars earned. She buys products, surplus to Domestic requirements, from every Province. Salmon and lumber from British Columbia, Wheat from Alberta and Saskatchewan, Uranium and other metals from Ontario, Iron ore, Aluminum, Pulp and Paper from Quebec and Eastern Provinces.

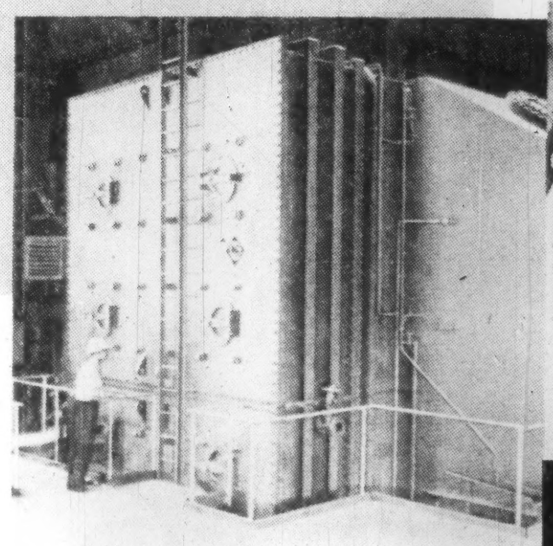
Canada must export and import for continuous prosperity.

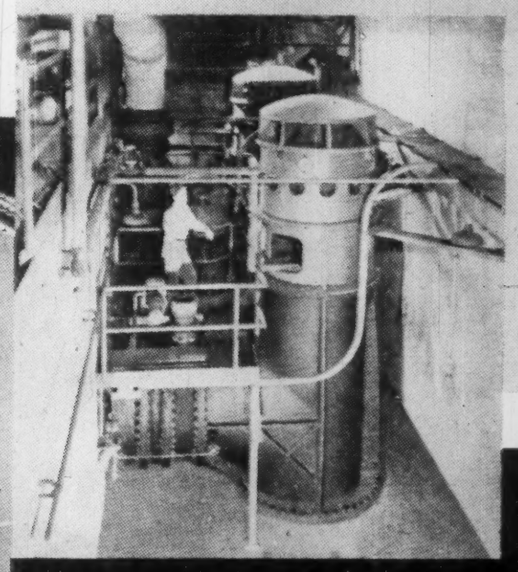
Business with PARSONS is therefore good business, both for the individual and for Canada.

C. A. Parsons OF CANADA LIMITED

55 YONGE STREET TORONTO

Planned-as-a-package auxiliary — two A-C vertical mixed-flow pumps serving a condenser at a midwestern power plant.





Planned-as-a-package condenser—a side inlet 130,000-sq-ft, two-pass surface condenser.

Complete CONDENSER auxiliary equipment planned as a package

. . . and mated to your project to gain peak system efficiency

Here's how A-C engineers maintain the higher degree of operating efficiency created by "guided-flow" condenser design. They select from a complete line of circulating and condensate pumps, motors, air ejectors and rotary vacuum pumps, then application-engineer these auxiliaries into an integral condenser package. All system components serve the condenser in achieving highest possible vacuum, maximum condensate temperature with a minimum of dissolved oxygen.

And in every size — from 100 to 200,000 sq. ft. and larger — you benefit from Allis-Chalmers pioneered *rectangular* condenser shape that makes possible a more compact, space-saving installation.

For complete condenser help — from design through erection — see your nearby CA-C office or write direct to Canadian Allis-Chalmers Limited, P.O. Box 37, Montreal, Quebec.

CANADIAN ALLIS-CHALMERS

59-PE-1

Telephone Cos.

(CONTINUED FROM P. 66)

highway which crosses that park.

In Montreal, company erected new buildings and installed automatic equipment to provide Direct Distance Dialing facilities. The new service went into operation in March.

In 1960, Bell expects to spend $200 million on capital account.

First quarter 1960 net profit was $12,259,086 or 58c a share vs. $11,118,207 or 61c in January-March, 1959. Revenues rose 8.8%, expenses 7.5%, and number of long distance calls 6.1%.

Island Tel.

Island Telephone Co. owns and operates the main telephone system in Prince Edward Island, serving more than 99,000 people and having more than 16,000 phones in service.

Toll service showed an increase in 1959, while the number of new telephones installed last year was greater than for any year in the past 11. Net gain in telephones was 1,130.

Construction expenditure was $612,743 compared with $584,000 in 1958.

Operating revenues were $1,263,098 last year ($1,170,302 the year before); net earnings were $151,564 ($151,676) or $1.43 ($1.43) per common share.

Maintenance expenses were cut to $199,893 in 1959 from $203,527 in 1958 and $219,999 in 1957.

Funded debt at Dec. 31 last was $2 million in four series of first mortgage bonds. Outstanding at the same date were $40,000 4½% preference shares ($10 par); 40,000 4¾% preference shares ($10 par), and 80,000 common shares ($10 par).

Control is held by **Atlantic Utilities Ltd.**, wholly owned subsidiary of **Maritime Telegraph & Telephone.**

Maritime T.&T.

Maritime Telegraph and Telephone Co. Halifax, operates the largest part of the telephone system in Nova Scotia and, through control of **Island Telephone Co.**, of Prince Edward Island.

In 1959 net profit was $2,135,212 ($1.15 per average common share) compared with $1,997,127 ($1.13) in the previous year.

At year-end, the number of telephones in service was 159,115 or 5% greater than a year earlier. Of these, 82.5% were dial operated.

In 1959 capital expenditures were a record $7.6 million.

Construction program included completion of centralization of toll operations at the new Valley Toll Centre at Kentville, extensions to central office buildings at Yarmouth, Kingston, Amherst and Truro and erection of several smaller central office and equipment buildings.

During the year company purchased a number of locally owned telephone companies:

Bay View Mutual Telephone Co., Central Caribou Mutual Telephone Co., Culloden Mutual Telephone Co., Middle River and Hunters Mountain Mutual Telephone Co., Three Brooks Mutual Telephone Co.

Some $53,000 was spent on building lines in these rural areas. This was much less than had been anticipated because arrangements for the acquisition of four other companies were not completed as rapidly as had been expected. This means a large budget item for 1960.

Company is planning an extensive capital program in 1960. Yarmouth will be converted to dial operation and installation of dial equipment at Digby will be commenced. A number of dial extensions will be carried out throughout the province.

Opening of the International Airport will require extensive installations in the airport buildings in addition to the cables and pole lines already in place to serve this area.

A new microwave radio relay system will be completed between Sydney, Halifax and Saint John involving erection of five new repeater stations and equipment installations at four existing stations.

During 1959 company offered 264,000 common shares, 98% of which were taken up, realizing $3,377,205.

Outstanding capitalization at Dec. 31, 1959 comprised $20 million in seven series of first mortgage bonds bearing interest at 3% to 5¼%; 150,000 7% cumulative noncallable preferred shares and 1,981,324 ($10 par) common shares.

Manitoba Tel.

Manitoba Telephone System, Winnipeg, established as a publicly owned utility in 1908, ranks third in Canada with 30 telephones per 100 population.

Total telephones in service at the end of 1959 was 267,044 with a record increase of 18,990 over the year.

Part of the increase was because the system took over service on 1,727 phones in the Steinbach and Greenland areas.

Backlog of subscribers waiting for service was reduced to 153 by year-end.

Long distance calls rose 10.5% over the year to reach 6,575,453.

To meet increased traffic requirements additional circuits were added to the system's microwave network. The network provides long-distance message circuits as far north as Flin Flon and spans the entire province from east to west.

A radio telephone network, established in 1948, serves isolated northern settlements, nursing stations, aircraft, boats and tractor trains.

Capital expenditures for the year ended Nov. 30, 1959, totaled $8,984,698.

Construction program included completion of buildings at The Pas and Steinbach and one under way at Portage la Prairie. Nine community dial offices were also erected.

Total of 5,260 subscribers were provided with automatic dial service last year.

Major damage was sustained in the latter part of October by a severe storm in the southern and western parts of the province.

Total revenues for the year ended Nov. 30, 1959, amounted to $21.1 million. Expenses, including interest and grants in lieu of taxes, totaled $20.4 million.

Surplus for the year at $693,154 compared with $346,619 for the same period in 1958. Increase was directly attributable to increase in long distance toll revenue.

Toll revenue increased by $1.4 million to $7.7 million for year ended Nov. 30, 1959.

The value of the plant at the end of November, 1959, was $121 million, an increase during the year of $8.3 million.

New Brunswick Telephone

New Brunswick Telephone Co. owns and operates a telephone system covering New Brunswick and connecting with telephone systems in adjoining provinces and Maine.

Net profit in 1959 was $2,038,097 (79c per common share) compared with $1,542,192 (64c) in the previous year.

At year-end, company had 121,049 telephones in service compared with 115,649 a year earlier. Of these 75.2% were dial operated (72.3% at the end of 1958.)

Operating revenues were 14.3% higher than in 1958. Local service rates increased 13.3% due both to additional telephones installed and a rate hike effective July 1, 1958.

Toll revenues rose 16% reflecting greater use to toll facilities and increased rentals for facilities leased to provide TV networks.

Total operating expenses were 5.5% higher than in the previous year due largely to higher maintenance and depreciation charges on company's rapidly growing plant.

During 1959 capital expenditures were $5 million down from $6.2 million in the previous year.

Projects included a new central office building at Newcastle and conversion of that exchange to dial service. With installation of crossbar switching equipment—first of its type in Eastern Canada—Newcastle became a major transfer point for long distance traffic within the Atlantic Provinces.

Service in the Baie Ste. Anne area, formerly supplied by the Government Telegraph and Telephone Service was taken over by the company and converted to dial in December. A new dial exchange was established at St. Louis de Kent and a manual office opened at St. Anthony, bringing the number of exchanges at year's end to 90. The Andover exchange received an improved grade of service through the installation of common battery equipment.

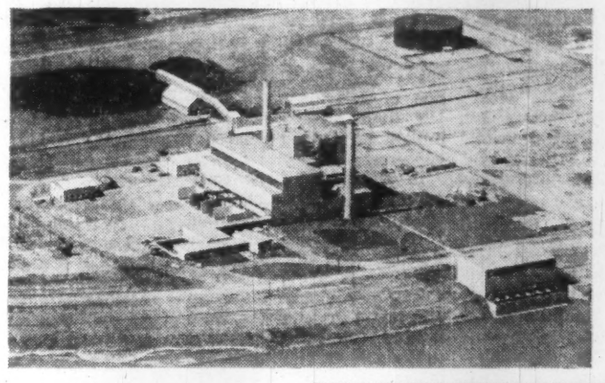
During 1959 work commenced on erection of new buildings at Woodstock and Hartland and renovation to the firm's Florenceville office preparatory to conversion of these communities to dial operation this summer.

One of the year's major accomplishments was the placing in operation of a new $600,000 microwave system between Saint John and Moncton. Work has been started on a similar network linking Moncton, Newcastle,

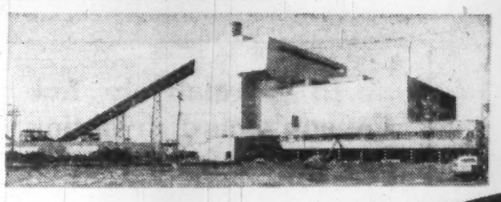
(Continued on page 68)

NEW TRENDS in the Saskatchewan Economy

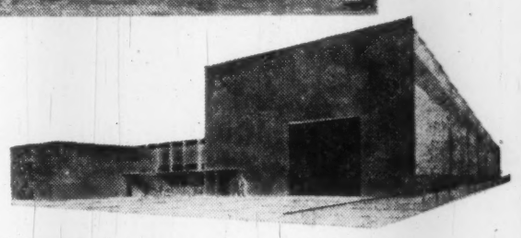
We're meeting TODAY'S Industrial POWER NEEDS



Queen Elizabeth Power Station (above) energized in 1958 provides 132,000 kilowatts for Saskatchewan's multi-million dollar potash industry, oil and gas wells, and 55,000 electrified farms. The Boundary Dam Generating Station (right), energized in 1959, adds 66,000 kilowatts to the SPC grid system. When in full operation, both will provide Saskatchewan with 264,000 kilowatts.



Getting ready for TOMORROW'S



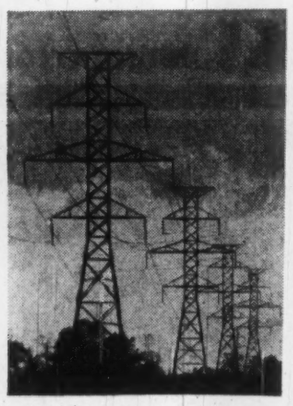
To meet the needs of tomorrow, construction has begun on Saskatchewan's first hydro generating station at Squaw Rapids (above). Already serving 60,000 customers, SPC's natural gas pipeline network is being further extended (left) in 1960.

The trend from an agricultural to a diversified economy is being intensified through the exploitation of Saskatchewan's great electrical and natural gas potential by the Saskatchewan Power Corporation.

SASKATCHEWAN POWER CORPORATION

STRUCTURAL STEEL and TOWERS SINCE 1900

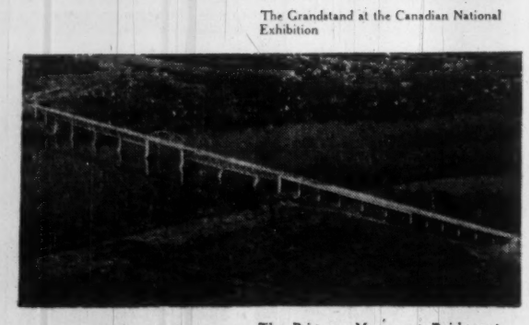
it's our 60th ANNIVERSARY YEAR



Typical Transmission Towers seen in every Province across Canada.

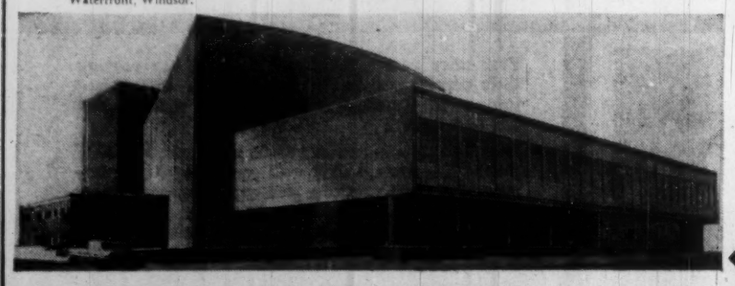
Since 1900 the Canadian Bridge Works has been a major industry in Canada. Our engineers and skilled craftsmen design and fabricate structural steel for bridges, towers, grandstands and modern buildings for erection across the country, and in other parts of the world . . . Noted for its highly specialized services and facilities the Canadian Bridge Works ranks as a leader in the structural steel industry.

The Grandstand at the Canadian National Exhibition



The Princess Margaret Bridge at Fredericton, N.B.

The Cleary Civic Auditorium on the Waterfront, Windsor.



DOSCO

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Electricity — where would we be without it? The answer lies in the living standards of every underdeveloped country that does not have sufficient electrical power.

Canada's per capita consumption of electric power ranks among the highest in the world. Electricity has been — and will continue to be — the drive behind our country's industrial and commercial growth.

Our national achievement has been effected by the sound planning of influential forces like our utilities.

Canadian Westinghouse, the leading designer of electrical apparatus, works closely with Canadian utilities; in fact, with all Canadian industries.

From this close association Canadian Westinghouse can plan this product research and development. As products of the future appear, they will be shaped to meet the specific needs of utilities and industries.

This approach to customer service is another reason why . . .

YOU CAN BE SURE...IF IT'S

Westinghouse

CANADIAN WESTINGHOUSE COMPANY LIMITED, HAMILTON, ONTARIO

Gas Companies

Central Gas

Central Gas Utilities, Calgary, was formed in 1951 to operate and finance local air-gas pressure plants and pipeline systems in the four western provinces.

Company has a plant at Melville, Sask. A subsidiary, **Central Gas Utilities (Vulcan) Ltd.,** operates a plant in Vulcan, Alta.

Operations are stated to be flexible, with plant adaptable for liquefied petroleum gases under pressure, natural gas, propane or butane.

Authorized capitalization consists of 50,000 5% non-cumulative preferred shares, $10 par, (7,500 outstanding at last report) and two million npv common shares (470,167 outstanding).

Consumers' Gas

Consumers' Gas Co., Toronto, directly and through subsidiaries has been distributing natural gas in Ontario for the past five years, and manufactured gas in Toronto since the early part of the nineteenth century.

Company's distribution area covers a major portion of Central and Eastern Ontario, the Niagara Peninsula and, since November, 1959, certain Quebec communities.

Consumers' service extends from Brampton and Streetsville on the west to Bowmanville on the east, and runs north to Barrie then out to Collingwood and Midland. Service is also extended to Peterborough and Lindsay.

Wholly-owned subsidiary, **Provincial Gas Co.,** operates in the Niagara Peninsula. **Ottawa Gas** serves Ottawa and district, **Brockville Gas** serves Brockville, Ont.

Natural gas, interim financing and management services are being supplied to **La Société Gazifère de Hull, Inc.,** distributing in Hull, Pointe Gatineau and Gatineau, Que.

The National Energy Board rejected an initial application by company's subsidiary, **Niagara Gas Transmission Ltd.,** to export gas to the U.S. at a point near Cornwall, Ont. After steps were taken to eliminate the grounds of the NEB's rejection, company requested a review of the decision.

Another subsidiary, **St. Lawrence Gas Co. Inc.,** holds franchises for distribution of gas in 17 municipalities in northern New York state. A U.S. firm is competing for gas distribution rights with the company; the matter is before the Federal Power Commission and the State of New York Public Service Commission.

Shorgas Ltd., a bottled propane gas distribution company, was acquired in December, 1958. It operates plants at Whitby, Brighton, Pembroke, Renfrew and Hawkesbury, Ont.

Consumers' is assisting **Cartier Gas Corp.** in obtaining franchises and permits for construction of a 437-mi. transmission system to supply communities south and east of Montreal.

In a relatively few years, Canada's gas distribution system has grown from localized markets to a national industry. Canadian consumption of natural gas is expected to reach 600 billion cu. ft. in 1965, two trillion cu. ft. in 1980.

At Sept. 30, 1959, company had 221,535 residential customers (211,773 a year earlier); 10,770 commercial customers (9,646); and 2,611 industrial customers (2,507).

Total sales of natural gas in 1958-59 fiscal year were 29,290,240 mcf (22,681,335 mcf year before). Area served by company covered 1,019 sq. mi. and there were 7,252 mi. of mains in use throughout the system.

Consolidated net profit of $4,057,045 ($1.85 per common share) for year ended Sept. 30, 1959, was 56% higher than previous fiscal year's $2,598,623 ($1.27).

Outstanding capitalization comprises 50,000 5½% cumulative redeemable preference shares, series A, $100 par; 100,000 5½% cumulative redeemable preference shares, series B, $100 par; and 2,166,516 npv common shares.

Funded debt at Sept. 30, 1959, consisted of $28.6 million of first mortgage sinking fund bonds and $23.1 million of sinking fund debentures.

In December, 1959, company issued $10 million 6½% sinking fund debentures, due 1979. Proceeds of this issue together with amount realized on sale of 309,472 shares at $32.50 per share under an offering to shareholders, were used to reduce short-term indebtedness amounting to $26 million.

Cities Heating

Cities Heating Co., London, Ont., produces and sells steam for heating and processing from a central steam plant in the city's business district. Company operates under a 30-year franchise granted in 1928 and renewed for another 30 years in 1947. It has 347 customers.

Capital stock authorized and outstanding consists of 30,000 npv common shares privately held; 35,000 5% non-cumulative first preferred voting shares, 20c par, reedemable at par; 390,000 authorized (210,180 outstanding) second preferred non-voting shares, $1 par, redeemable at par.

(Both classes of preferred stock were created in 1959).

Company paid a stock dividend in 1959. A dividend of 50c per common share was paid in each of years 1956, 1957 and 1958.

Funded debt outstanding at Feb. 29, 1960, totaled $195,500 4½% first mortgage sinking fund bonds, due 1963, callable at 101; and $37,500 5½% debentures.

Cdn. Western

Canadian Western Natural Gas Co. operates a gas distribution system in southern Alberta, serving some 322,000 people. The system serves industrial and domestic consumers in Calgary, Lethbridge and over 60 other communities in the area.

Total of 7,450 customers were added to the system in 1959, bringing the total at year end to 87,045. Capital expenditures during the year amounted to $4.5 million. Estimates for this year call for expenditures of some $3.9 million.

Gas purchase contracts have been completed with **Trans-Canada Pipe Lines, Alberta & Southern Gas Co.** and **Westcoast Transmission Co.** The agreements with Trans-Canada and Alberta & Southern enable company to purchase gas from them if there are economic advantages in doing so.

The Westcoast contract gives company first call on up to 50 million cu. ft. per day from the East Calgary field.

Other gas suppliers include **British American Oil** from the Fenn-Big Valley and Stettler fields; **Madison Natural Gas Co.,** from the Turner Valley field; **Shell Oil of Canada** from the Jumping Pound field; **Devon-Palmer Oils** and **Texas Gulf Sulphur Co.** from the Okotoks field.

Canadian Western owns small fields at Bow Island and Foremost which are used to supply winter peak requirements for the system.

At Dec. 31, 1959, natural gas reserves controlled and available to company were estimated at 1,094 billion cu. ft.

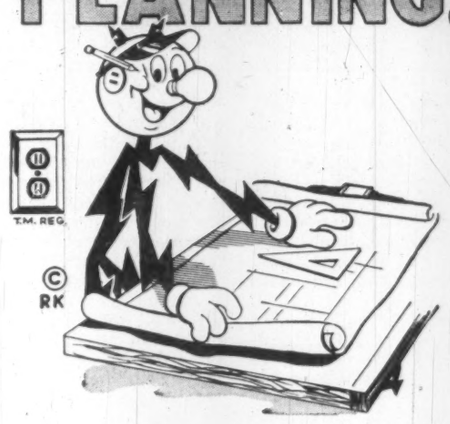
Net profit in 1959 was $2.1 million, 78.7% higher than previous year's $1.2 million. Earnings were equal to $4.45 ($2.49 in 1958) on each of the 475,410 preferred shares outstanding, $2.09 (99c) on each of the 800,000 ordinary shares outstanding.

Gross revenue from natural gas sold and transported during 1959 increased 22% to $13.1 million ($10.7 million in 1958).

Additional financing to meet expansion costs was obtained earlier this year

(Continued on page 69)

PLANNING?



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THE PRESIDENT
NOVA SCOTIA LIGHT AND POWER COMPANY, LIMITED
Halifax, Nova Scotia

NOVA SCOTIA LIGHT AND POWER COMPANY LIMITED

Telephone Cos.

(CONTINUED FROM P. 67)

Bathurst, and Campbellton with completion planned for late 1960. Cost of this project has been estimated at $1.5 million.

Company's "extended area service" plan, an arrangement whereby long distance charges are eliminated between centres having a high community interest, was inaugurated between Fredericton-Oromocto and Bathurst-Petit Rocher.

At Dec. 21, 1959, outstanding capitalization comprised $19 million in seven series of debentures bearing interest at rates varying from 3⅜% to 5⅛%; 2,578,793 common shares ($10 par).

Northern Tel.

Northern Telephone Ltd., New Liskeard, Ont., and its subsidiaries provide telephone service to more than 100 municipalities having a population of approximately 205,000 in northern Ontario and northern Quebec.

Largest exchanges are at Timmins and Schumacher with 9,500 telephones, Noranda and Rouyn with 8,948 telephones and Kirkland Lake and Swastika with 5,844 phones in use. There were nine other exchanges with in excess of 1,000 telephones each at Dec. 31, 1959.

Company and its wholly-owned subsidiaries, **Algoma Central Telephone Co.** and **La Cie de Telephone du Nord,** had a total of 50,375 telephones in service at the end of 1959, an increase of 1,558 over the year.

Investment in plant and equipment totaled $12,133,732, and increase of nearly $2 million from the end of 1958.

Capital expenditures in 1960 are expected to be considerably less than in 1959. Barraute, Que., and South Porcupine and Ramore, Ont., are to be converted to dial. Plans are under way to completely modernize La Cie du Nord's plant.

Company's former controlled subsidiary, **Norwesto Enterprises Ltd.,** was amalgamated with the company, effective Jan. 1, 1960. Shareholders of Norwesto received two shares of the amalgamated company for each three held. Name of the company was changed from Northern Telephone Co.

Norwesto, which specialized in radio telephones had been operating at a loss. The amalgamation is expected to result in operating economies and tax savings.

Company is continuing to seek substantial defence business. A one-year contract for maintenance of the telephone plant on some stations of the Pinetree Line has already been obtained, and others are being negotiated.

Consolidated net profit of the company and its wholly-owned subsidiaries amounted to $347,149 in 1959 ($307,297 in 1958). Earnings equaled 19c per common share on 1,201,819 shares compared with 22c per share on 1,002,500 common shares outstanding at Dec. 31, 1958.

Capital expenditures were financed in part by an issue of 50,000 5½% cumulative preference shares, series B, $20 par, and the sale of 194,289 common shares under a rights offering.

Outstanding capitalization at Dec. 31, 1959, consisted of 125,000 shares of 5½% preferred stock, $20 par, of which 75,000 were series A and 50,000 were series B, and 1,201,819 common shares, $1 par.

Long term debt totaled $3,141,500.

North-West Tel.

North-West Telephone Co., Vancouver, owns and operates 20 telephone exchanges in British Columbia serving such communities as Campbell River, Ocean Falls, Powell River, Prince George and Fort St. John, Pouce Coupe and Dawson Creek in the Peace River area.

Number of telephones in service at the end of 1959 was 21,870, an increase of 16% during the year.

Total plant investment at Dec. 31, 1959, was $14,842,288, compared with $12,157,462 a year earlier.

Capital expenditures total-

(Continued on page 71)

what you can't foresee.. **PROTECT**

Fire, explosion, sprinkler leakage, loss of profit . . . it takes so little to reduce an investment to ashes. Are your valuations up to date?

5810F.

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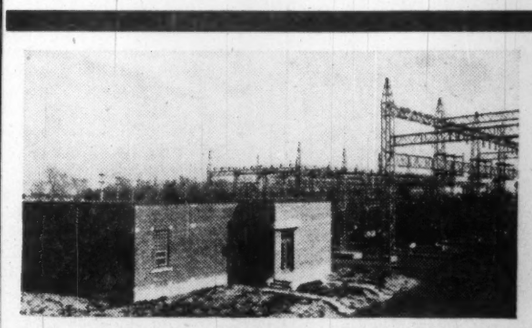
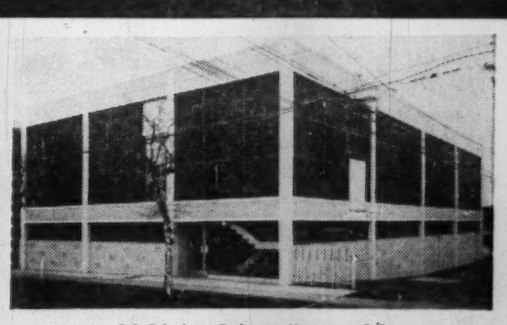
IN POWER AND PUBLIC UTILITIES, TOO . . .

FRANKI FOUNDATIONS CARRY A LOT OF WEIGHT

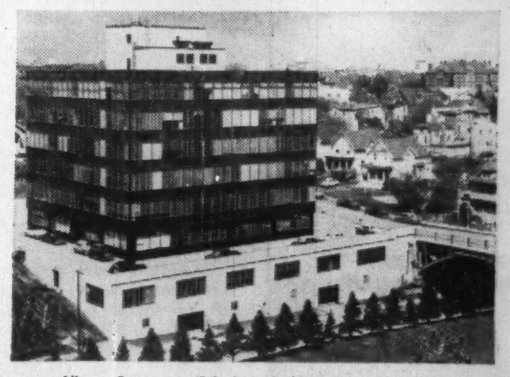
Shawinigan Water & Power Co., Trois Rivieres, Que.



Hydro-Quebec Sub-Station, Montreal, Que.



B.C. Telephone Exchange, Vancouver, B.C.



Alberta Government Telephone Building, Edmonton, Alta.

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FRANKI OF CANADA LIMITED

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6016

Gas Companies

(CONTINUED FROM P. 68)

through an issue of approximately 180,000 ordinary shares, restricted to residents of Alberta, at $16¼.

Funded debt at Dec. 31, 1959, amounted to $16,469,000.

Company is controlled by **International Utilities Corp.** of New York. Parent holds $3.7 million of 5¾% notes (not included in funded debt above), payable April 24 to Oct. 30, 1961.

Great Northern

Great Northern Gas Utilities Ltd., Edmonton, is a holding company which, through subsidiaries, sells and distributes propane, natural and manufactured gas and electricity in western Canada.

Operating subsidiaries:

Rockgas Propane Ltd. markets propane in British Columbia, including Vancouver Island. To extend its operations, **Duncan Propane Ltd.**, Duncan, B.C., was acquired in 1958. Further expansion was carried out in 1959; plans for 1960 envisage establishment of three additional propane plants.

Plains - Western Gas & Electric Co. distributes natural gas in Alberta, British Columbia and Brandon, Man. It also distributes electricity in Yellowknife, N.W.T. Operations in Brandon were "in the black" in 1959, the second full year of operation. Natural gas service was extended to the town of Three Hills, Alta., last year.

North Shore Propane Co. markets propane in and near Sault Ste. Marie, Blind River and Elliot Lake, Ont. Completion of a link of the Trans-Canada Highway between Sault Ste. Marie and Jamestown will open up further markets.

Great Northern Gas Co. has been distributing manufactured gas in Sault Ste. Marie since 1924. It operates under a franchise, which also covers distribution of natural gas, expiring 1977.

Operations in the Sault Ste. Marie area did not meet expectations in 1959. Remedial measures under way should produce better results this year.

Consolidated net profit of $493,257 or 51c per common share in 1959 was 62% higher than 1958's $304,762 (24c).

Substantially improved earnings reflected increased sales, close cost control, expanding markets and more favorable weather conditions, President L. Sanford Reis said.

Natural gas revenues were $1,651,213 (28.6% of total revenue) in 1959 ($1,359,394 in 1958) and sales 3,040,670 (2,634,189) mcf.

Propane revenues (41.6% of total) totaled $2,402,773 ($2,130,054).

Electricity revenues provided 4.4% of total and amounted to $255,087 ($217,039); sales were 6,703,722 (5,656,607) kwh.

Manufactured gas revenues (5.4%) were $313,460 ($316,872) and sales 271,095 (270,166) mcf.

At Dec. 31, 1959, long-term debt totaled $6,541,500 ($6,718,500 a year earlier).

Outstanding capitalization consisted of 14,880 $2.50 cumulative redeemable preferred shares, $50 par; 33,975 $2.80 cumulative redeemable preferred shares, $50 par; and 698,594 common shares, $1 par.

Surplus stood at $3,133,683 ($2,886,106).

Company owns 174,200 shares of **Lakeland Natural Gas Ltd.**, 63,007 shares of **Devon-Palmer Oils Ltd.** and 483 shares of **Alberta Gas Trunk Line Co.**

Greater Winnipeg Gas

Greater Winnipeg Gas Co., (formerly **Winnipeg & Central Gas**) distributes gas in the Greater Winnipeg area, under an exclusive franchise which runs initially until Dec. 31, 1983. Provision is made for renewals.

Company was organized in 1952 to take over the manufacturing and distributing assets of **Winnipeg Electric Co.** In 1958 it was reorganized and refinanced.

Company buys gas from **Trans - Canada Pipe Lines** under a 20-year renewable contract.

Distribution facilities in the 16 communities which make up Greater Winnipeg include 477 mi. of high and low pressure mains, of which 161 mi. were installed in 1959. Capital expenditures during the year amounted to $5.7 million.

Company now has distribution mains in front of approximately 50% of the homes in the Greater Winnipeg area.

Net gain in customers in 1959 was 8,822, bringing the total to 23,775 at year end. It is expected that the gain in customers will be greater this year than in 1959.

Natural gas purchased in 1959 totaled 6.4 million mcf (four million mcf a year earlier). Sales to residential customers amounted to two million mcf (940,061 mcf), to commercial and industrial customers 4.3 million mcf (2.9 million mcf).

Maximum daily send-out was 36,530 mcf, double the 1958 maximum of 18,249 mcf.

Residential revenues rose 75% in 1959 to $1.8 million; commercial and industrial sales were up 55% at $1.9 million.

Net profit was $57,496 (6c per share) in 1959, vs. previous year's net loss of $478,700. No income tax was payable last year because of tax losses carried forward from prior years.

Capitalization consists of 1.5 million npv common shares of which 893,635 were outstanding at Dec. 31, 1959.

Funded debt comprised $6.5 million 5¾% redeemable first mortgage bonds, series A (1958), due Dec. 1, 1978; $2.5 million 6% redeemable debentures, due Dec. 1, 1979; and $2,378,500 5½% redeemable subordinate debentures, due Dec. 1, 1980.

Inter-City Gas

Inter-City Gas Ltd., Winnipeg, Man., distributes natural gas to a number of Manitoba communities.

It has franchises in Portage la Prairie, Neepawa, Rivers, Hamiota, Steinbach, Minnedosa and Miniota. It also supplies gas to the Department of National Defence at Camp Shilo.

Operations started in 1958. During 1959 residential and commercial customers increased by 48%. Natural gas mains installed during the year increased the potential customers by 26%.

Company had a net profit of $80,328 (33c per share) in 1959 against a net loss of $86,008 the year before.

Revenue amounted to $627,302 in 1959 ($243,802 in 1958). Sales totaled 882,779 (323,001) mcf.

Company forecasts an increase of some 20% in residential and commercial customers by end of 1960.

Providing normal weather conditions prevail, residential and commercial sales are expected to increase by 30% this year, President G. P. Osler says. Sales under special contracts should rise substantially.

No major expansion into new areas is planned in 1960.

Outstanding capitalization at Dec. 31, 1959, consisted of 239,605 npv common shares. Funded debt comprised $600,000 5¾% first mortgage bonds, series A, due April 30, 1977 and $675,000 6¼% debentures, series A, due July 1, 1979.

Warrants are outstanding to purchase a total of 9,000 shares at prices ranging from $5 to $6.50, between May 1, 1960 and April 30, 1965.

Inland Natural

Inland Natural Gas Co., Vancouver, produces, transmits and distributes natural gas to interior communities of British Columbia, including the Cariboo, Okanagan and West Kootenay areas.

Company's marketing area extends from Chetwynd, about 200 miles north of Prince George, to Nelson in the West Kootenays, a distance of nearly 800 miles.

Major industries served by Inland are logging, mining, smelting, agricultural and canning operations, as well as a growing tourist business.

Through wholly - owned subsidiaries, three natural gas transmission lines are owned, and interests are held in gas and oil wells and acreage in northeastern British Columbia and the South Pouce Coupe area of Alberta.

Company increased its number of residential, commercial and industrial customers from 10,600 to 13,000 during the six months ended Dec. 31, 1959 (first half of current fiscal year).

Plants of **Consolidated Mining & Smelting Co.**, converted to natural gas, went on stream early in 1959. Company is negotiating with **Celgar Ltd.** (subsidiary of **Canadian Chemical & Cellulose**) for supply of gas to Celgar's pulp mill now under construction at Castlegar, B.C. Mill is scheduled to be in operation in early part of 1961.

Subsidiaries **Canadian Northern Oil & Gas Ltd.** and **St. John Gas & Oil Co.** are active exploration and development companies. In year ended June 30, 1959, Canadian Northern sold four billion cu. ft. to **Westcoast Transmission Co.** and 440 million cu. ft. to **Peace River Transmission Co.** from the Pouce Coupe field.

St. John Gas sold 192 million cu. ft. to Westcoast and 2,780 bbl. oil to **Pacific Petroleums** from the Fort St. John field.

Peace River Transmission Co. and **Grande Prairie Transmission Co.** operate company's gas pipelines. Peace River sold 1.3 billion cu. ft. of gas, Grande Prairie 603 million cu. ft., in latest fiscal year.

Consolidated net profit for year ended June 30, 1959, amounted to $147,271, compared with $53,877 in previous fiscal year.

In first half of current year, revenue was 91% higher than in like period year before, while sales volume rose 121%.

Capitalization outstanding at June 30, 1959, consisted of 250,000 5% cumulative preferred shares, $20 par, and 2,341,300 $1 par common shares.

Funded debt comprised $15 million 6% first mortgage bonds, series A, due June 1, 1982, and $7,170,500 5½% convertible debentures, series A, due Feb. 15, 1977.

Lakeland

Lakeland Natural Gas Co., Kingston, Ont., is developing natural gas services in eastern Ontario from Port Hope to Cornwall. Communities served include Cobourg, Trenton, Belleville, Napanee, Gananoque, Prescott and Cornwall.

Construction of company's distribution system began in October, 1957, and by February, 1958, initial deliveries of gas were made. Sept. 30, 1959, has been determined as the end of the construction period.

Company also markets retail appliances in order to achieve basic market saturation and to stimulate use of natural gas appliances.

At last report, active customers totaled 3,144 (2,222 at Sept. 30, 1959). Sales in the first four months of the current fiscal year were in line with budget and for the full year are expected to be four times greater than last year.

Company has a 20-year contract with **Trans-Canada Pipe Lines** for natural gas delivery rising from 3.2 million cu. ft. daily in the first year to 20.3 million cu. ft. in the fifth year.

In September, 1959, company contracted to supply fuel requirements of **Canada Starch Co.** at its Cardinal, Ont., plant. Deliveries will run up to 4.5 million cu. ft. per day.

Expenditures during the construction period ($8,039,394) have been capitalized; revenue on gas sales ($419,017) has been deducted from this amount.

Capitalization at Sept. 30, 1959, consisted of two million $1 par shares authorized, of which 1,452,766 were outstanding.

Long-term debt comprised $6,682,200 6% subordinated debentures, due July 15, 1982.

Mid-Western

Mid - Western Industrial Gas, Edmonton, Alta., directly and through subsidiaries operates a pipeline and gathering system supplying natural gas under long term contracts to industrial consumers.

Wholly-owned subsidiaries are:

Mid - Western Industrial Pipelines Ltd., which operates a gathering system and transmission line from Fort Sas-

(Continued on page 70)

Growth From 'Gabbing'

Canadians are the gabbiest people in the world—and that keeps our phone companies expanding at a whirlwind rate.

With an average of 511 telephone conversations per person in 1958, we led the world for the seventh consecutive year in per capita telephone calls.

At the start of 1959, there were 30 telephones in service for every 100 Canadians. That placed us third (after the U. S. with 38 per 100 and Sweden with 34) in this aspect of the world telephone derby.

In the past decade, the telephone companies have been going through an unprecedented expansion program designed to keep plant and facilities in step with the nation's rapid economic and population growth.

At present, there are no signs that the telephone boom is abating. On the contrary, it appears to be rolling with more steam than ever.

Outlook for the telephone group in 1960 appears to be bright. Heavy capital expenditures made in the past several years and forecast for 1960 indicate substantially higher sales and revenues in the next few years.

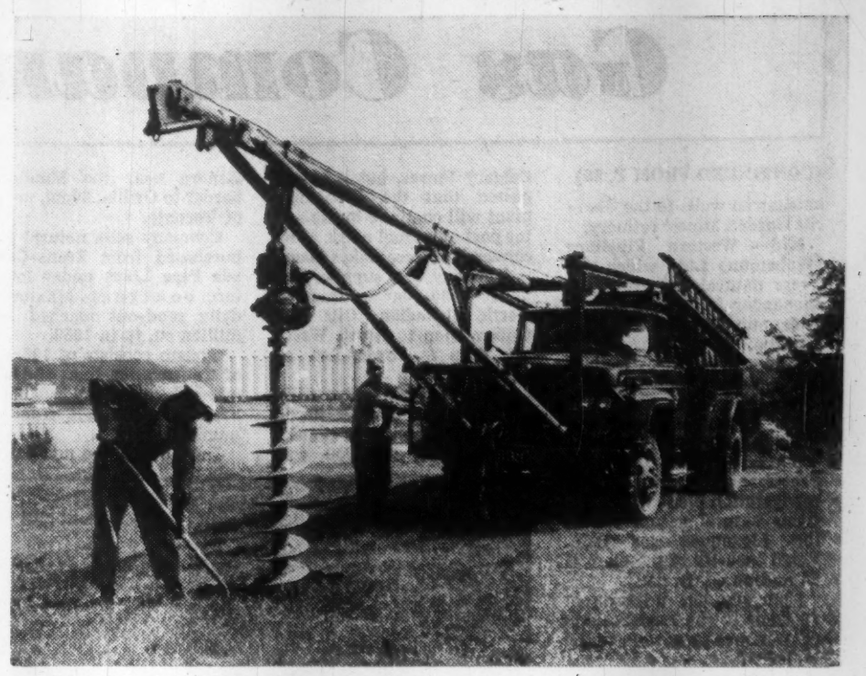
An offsetting factor, of course, is climbing costs.

In this respect telephone companies are always on the short end of the stick. Increases in rates — regulated by provincial or federal authority — almost invariably lag behind rising costs. This factor often has put a big squeeze on earnings.

In addition to the rate-cost lag, telephone companies in common with the rest of Canadian industry are feeling the effects of the current high cost of borrowing.

Bell Telephone, the nation's largest 'phone company, earlier this year paid 6¼% on a $85 million bond issue, its highest borrowing rate in 40 years.

Effect of the current high cost of borrowing will continue to make itself felt for a considerable time, even if interest rates decline.



TELEPHONE SERVICE keeps expanding to meet ever-greater demand. Here, a Bell Telephone crew sinks a hydraulic pole-hole digger near Owen Sound, Ont.

The reason, of course, is that most issues are non-callable for refunding at lower interest rates for a considerable portion of the lives of the issues.

Financial circles speculate that most telephone companies will undertake as much equity financing as their customary debt-equity ratios permit.

On the brighter side, streamlining of business methods and the quickening pace of North American living is also putting new money into the 'phone company till.

"Only a few years ago, many businessmen would send a letter and let it go at that. Today, he'll probably make a long-distance call — or even set up a conference call — in order to get an immediate reply. It may not make the post office happy, but it's very good for us," one telephone company official explains.

Quebec-Telephone, for example, says that long distance calls, leased lines and industrial business are making up an increasingly important part of total revenues.

Company this year is planning to spend $8.5 million on capital expansion and improvement, much of it for conversion of manual phones to dial. In 1961, company plans to tie in with a trans-Atlantic cable that will terminate at the St. Lawrence River and build a $2 million, 200-mile microwave link to the frontier mining town of Gagnonville.

Gagnonville is the site of Quebec Cartier's $300 million iron ore development which is scheduled to go into production next year.

In Nova Scotia, Maritime Telegraph & Telephone is planning $8.5 million capital expenditures this year. In 1960, it will complete a microwave system from Saint John, N.B. to Sydney, N.S. It is also extending the "free callin," area in the Halifax-Dartmouth district.

Capital spending in 1961 will likely be similar to levels anticipated this year.

Bell Telephone Co. is planning capital outlays of $200 million for 1960. This would be a shade above outlays made last year.

In the west, **British Columbia Telephone Co. made a substantial recovery in 1959 from the low level of earnings attained in the previous year.** Net profit at $6.7 million was up 60% from $4.2 million in 1958.

This year, company is planning to spend between $40 million and $50 million on capital projects.

"Despite the fact that British Columbia appears to be recovering from the 1957-58 recession more slowly than other parts of Canada, the outlook for the demand for telephone service, based on current available forecasts, remains most favorable for the continued growth of our operations," President C. H. McLean says in the annual report to shareholders.

CGE Appoints Three Directors

Three new directors were named by **Canadian General Electric Co.** at its annual meeting, bringing the board to its full complement of 15 members:

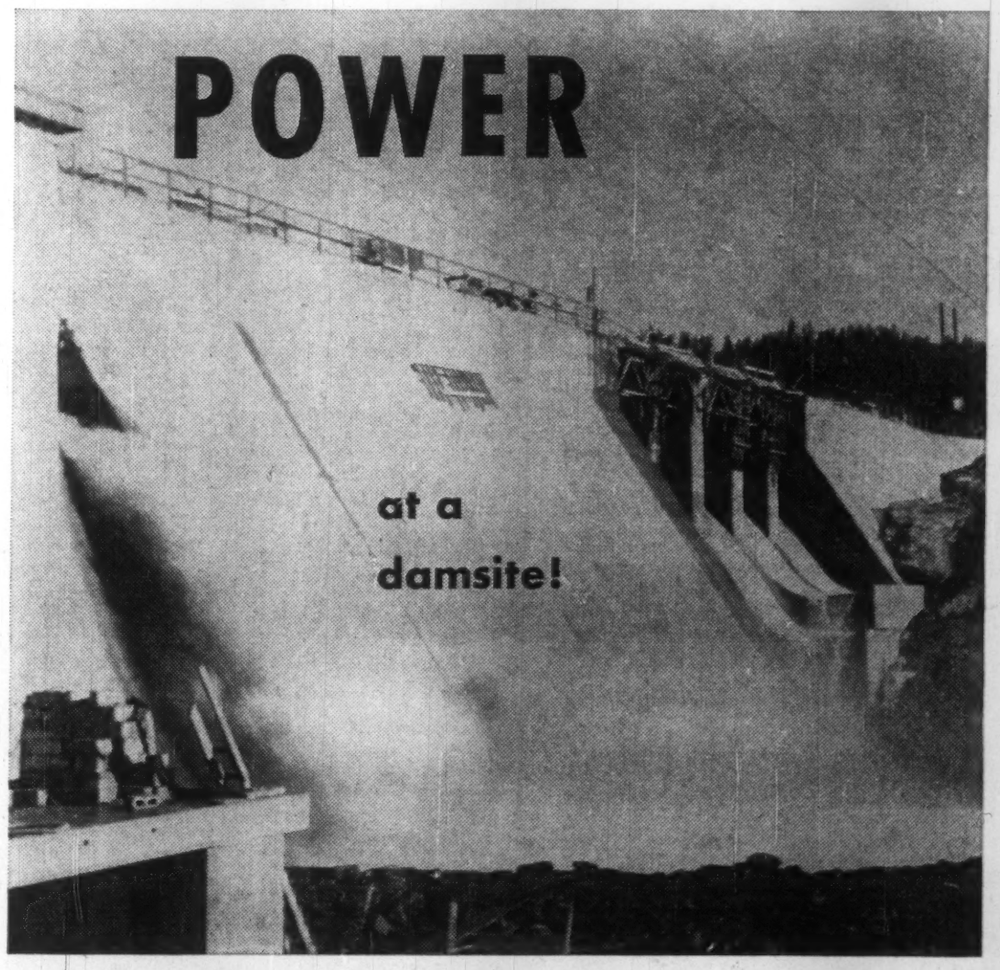
William H. Pipe, general counsel and secretary of CGE.

R. H. Littlejohn, assistant secretary of CGE.

C. K. Reiger, vice-president of **General Electric Co.**, Schenectady, N.Y.

Replying to criticisms by minority shareholder D. K. Hochman of Winnipeg (FP, April 18, 1958), President J. Herbert Smith said that export sales in recent years represented 6%-10% of CGE's total volume.

Company obtained $10 million in U. S. defence production orders in 1959.



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C. A. PITTS GENERAL CONTRACTOR LTD.

TORONTO — MONTREAL

Gas Companies

(CONTINUED FROM P. 69)

katchewan wells to the **Sherritt Gordon Mines'** refinery.

Mid - Western Pipelines (Wabamun) Ltd., which delivers natural gas from the Alexander Indian Reserve to Wabamun through a 34-mi. pipeline.

Mid - Western Pipelines (Redwater) Ltd., which delivers residue gas from Redwater to Fort Saskatchewan through a 19-mi. pipeline.

Mid - Western Industrial Processors Ltd., operator of a refrigeration plant which extracts natural gasoline from the Alexander gas field. Rated capacity of the plant is 55 million cu. ft. daily.

Company has interests in 10 wells in the Fort Saskatchewan area; two wells in the Majeau Lake area; 12 wells in Alexander Indian Reserve (a successful step-out last December extended the limits of this field by two miles); two wells in the Calahoo area; and one well in the Westlock area.

Only the Fort Saskatchewan and Alexander wells are connected to markets.

A small potential gas well was completed last October on acreage 25 mi. south of the Provost gas field in Alberta. A second well was abandoned; company plans to drill two more wells in this area during 1960.

Proven gas reserves at end of 1959 were estimated at 195 billion cu. ft. In addition, company has access to 100 billion cu. ft. of residue gas in the Redwater field.

In 1953, company negotiated a contract with Sherritt Gordon Mines to supply its nickel refinery at Fort Saskatchewan. Contract is for purchase of a minimum annual rate of 2.8 billion cu ft. of gas for a 20-year period.

A 10-year contract was entered into in 1954 to supply gas to **Calgary Power's** steam power plant at Lake Wabamun, Alta.

Calgary Power plans to start coal mining operations at Wabamun at end of 1962. This will result in a decrease in Mid-Western's sales to Calgary Power, but it is expected that the Wabamun plant will continue to use gas for part of its fuel needs after conversion to coal takes place.

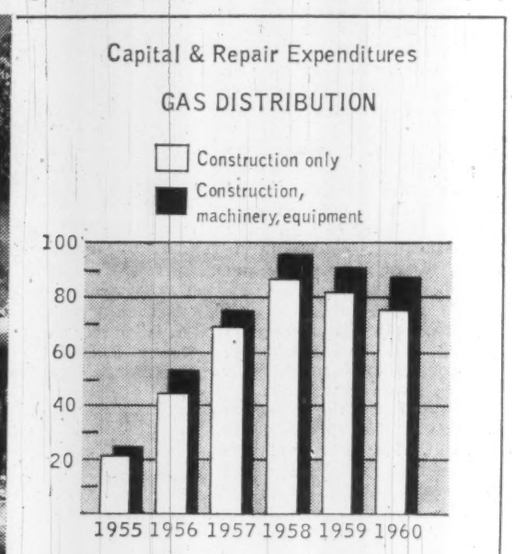
Company also supplies gas under a 20-year contract to **North Canadian Oils** for transmission to **North Western Pulp & Power Ltd.** at Hinton, Alta.

Gas is also sold to two utility companies and a hardboard manufacturing plant.

Net profit in 1959 was $490,299 (19c per share), 2.5 times greater than previous year's $194,840 (8c). Company does not expect to be liable for income taxes for some time.

Authorized capital consists of four million npv common shares, of which 2,533,260 are outstanding.

Funded debt at Dec. 31, 1959, totaled $1,977,240.



Northern Ontario

Northern Ontario Natural Gas Co. and its affiliate, **Twin City Gas Co.**, distribute natural gas through a 1,000-mile franchised area (population: 355,000) stretching from Kenora near the Manitoba border to Orillia, 80 mi. north of Toronto.

Company sells natural gas purchased from **Trans-Canada Pipe Lines** under long-term contract. Maximum daily send-out reached 104 million cu. ft. in 1959.

System consists of 195 mi. of transmission lines and 482 mi. of distribution lines. Franchises are held from 55 municipalities.

During 1959 the number of residential and small commercial customers rose to 12,152 from 4,073 at end of 1958. Total now represents 26.4% of the potential number of customers now capable of service by the present grid system of NONG and Twin City.

Large commercial and small industrial contracts increased from 134 to 425 last year. These contracts represent 11.4 million cu. ft. per day, 33% of total potential market for this class of service.

Big industrial users include **International Nickel Co., Canadian Johns - Manville, Ontario - Minnesota Pulp & Paper Co.** and **Dryden Paper Co.**

Maximum daily quantity of gas taken by large industrial customers reached a high of 79 million cu. ft. during 1959.

Company spent $3.3 million on construction in 1959. Program included laying of approximately 53 mi. of gas main and installation of some 7,750 service lines.

Capital expenditures in 1960 will involve principally the installation of residential and commercial services from existing mains.

Company recently issued 40,000 6% preferred shares, $50 par, convertible into 3 1/3 npv common shares until April 1, 1965, and 2½ to April 1, 1969.

It has also arranged private sale of $2 million (U. S.) 6% 15-year notes and 40,000 warrants to buy common stock on the same basis as the conversion privileges.

Proceeds of the two issues will be used to retire $3 million bank debt and to finance part of $3 million capital expenditures planned for 1960.

Company has arranged to borrow $2 million again from its bankers on a term-loan basis. This will be fully utilized by the fall, it is expected.

Net income for the last three months of 1959 was $207,387 out of operating revenues of $3,261,096.

At Dec. 31, 1959, there were 1,279,900 npv common shares outstanding, of an authorized two million.

A wholly-owned subsidiary, **Northern Ontario Gas Appliance Acceptance Co.**, had 2,352 contracts totaling $836,325 outstanding at end of 1959.

Northwestern

Northwestern Utilities, Edmonton, is controlled by **International Utilities Corp.**, New York, and produces, moves and sells natural gas in Edmonton and 69 other communities in central Alberta.

Population of the area served by company totals nearly 372,000. Number of customers increased by 5,683 to 89,209 last year. Company spent some $4.5 million on expansion of services in 1959; capital additions planned for this year are estimated to cost $3.4 million.

At Dec. 31, 1959, natural gas reserves controlled and available to company were estimated at 2,433 billion cu. ft. During the year, a purchased gas agreement was entered into with producers in the Provost field to supply the communities of Provost and Cadogan.

Further reserves were added by acquisition of crown leases in the Beaverhill Lake field.

Agreements made with **Trans-Canada Pipe Lines** and **Alberta & Southern Gas Co.** enable Northwestern to purchase gas from them if there are economic advantages in doing so.

New rate schedules were put into effect Sept. 1, 1959. Edmonton and three other communities appealed the decision of the Board of Public Utility Commissioners in approving the new rates.

Because of the appeal, company found it necessary to apply for a further rate increase, which was granted Nov. 6, 1959.

Gross revenue from gas sales amounted to $14.7 million in 1959, a 22% increase over $12 million in 1958.

Net profit was $2.5 million, up 12.8% from $2.2 million in 1958. Earnings were equal to $1.24 ($1.07) per common share.

Capitalization consists of 120,000 4% cumulative preference shares, $100 par (105,000 issued), and three million npv common shares (1.7 million issued). All of outstanding common shares are held by International Utilities.

Funded debt at Dec. 31, 1959, amounted to $21.3 million. In addition, 3⅞% promissory notes payable, due Sept. 1, 1969, were outstanding in amount of $1,560,000.

Quebec Natural

Quebec Natural Gas Corp. was formed in 1955 to operate a gas utility on the island of Montreal and in mainland municipalities within 15 miles.

The company acquired the gas distribution system of **Quebec Hydro-Electric Commission** for $39.1 million. Natural gas progressively replaced manufactured gas commencing January, 1958, and was essentially in full use by June, 1958.

A pipeline has been built across the St. Lawrence River along the Jacques Cartier Bridge to serve south shore communities between Candiac and Contrecoeur, Quebec. It is linked with the main 34-mile trans-island line built in 1957 to connect with the terminus of **Trans-Canada Pipe Lines** at Senneville, Que.

In the year ending June 30, company expects to spend $12.3 million on its capital expansion program. About $12.4 million will be spent in fiscal 1961, $9.2 million in fiscal 1962 and $10 million in fiscal 1963.

Company's main contract with Trans-Canada Pipe Lines continues for a primary term of 20 years with supply increasing to 112,000 mcf per day during the fifth year.

Company operated at a loss in six months ended Dec. 31 but reported monthly losses were growing progressively smaller.

A new peak for maximum 24-hour gas send-out was established Jan. 11 with a total of 42.5 million cu. ft. This was 53% greater than the record of the previous year.

Commonwealth Services Inc. forecast net loss of $672,382 for year ending June 30, but this might prove to be a little optimistic.

Net loss of $3,812,575 was sustained for the year ended June 30, 1959. Operating revenues totaled $14.7 million of which 64% was derived from natural gas, 36% from sales of coke plant residues.

Installations made in first half of current fiscal year added an estimated 3.9 million mcf to the annual load and more than $4 million to revenues on an annual basis.

A new issue of $15 million 6% cumulative preferred shares, $100 par, was offered to the public in September, 1959. Dividends accrue from Sept. 1, 1962. Shares were offered as part of a unit consisting of one preferred share, one common share, and a warrant to purchase two additional common shares over six years at $18 per share. Price of a unit was $101. The common shares forming part of the units will not be issued separately earlier than Sept. 1, 1960.

In addition to this financing and to anticipated cash generation, company propose to obtain the balance of required cash for capital expenditures through issuance of debt securities and about $3.5 million of common stock.

Outstanding capitalization as shown on the pro forma balance sheet at June 30, 1959, consisted of 150,000 6% preferred shares, $100 par, and 1,514,000 common shares, $1 par.

Funded debt totaled $48.4 million.

A subsidiary company is **La Verendrye Line Ltd.**, formed to take over from Quebec-Hydro assets of **Keystone Transports Ltd.**, principally nine Great Lakes bulk cargo vessels used to carry coal from Montreal Coke from Lake Erie ports to Montreal.

St. Maurice

St. Maurice Gas Inc., through a subsidiary, **City Gas & Electric Corp.**, distributes propane gas to 6,000 customers in 85 Quebec communities. Company also engages in natural gas explorations in the St. Lawrence lowlands.

City Gas holds a 10-year renewable franchise from Trois Rivières. Gas is distributed to customers through a 22.5-mile pipeline in the city and in cylinders in rural areas.

Service is based on three liquid propane bulk storage and cylinder-filled plants at Trois Rivières with total capacity of 49,000 gal. Fast developing business around Quebec City has necessitated construction of a 30,000 gal. bulk and cylinder-filling plant there.

Plans are ready to convert the underground system in Trois Rivières from propane-air to natural gas, company says in a letter to shareholders.

Cartier Gas Corp., in which the company owns a one-third interest and **Consumers' Gas Co.** owns two-thirds interest, proposes to build a $57 million pipeline.

It will bring natural gas to the industrial areas of the St. Maurice Valley, Eastern Townships, and other districts on the north and south shores of the St. Lawrence river from the U. S. border to Quebec City.

In addition to Trois Rivières, gas service has been approved by Granby, Waterloo, Cowansville, Richmond, Magog, Danville, Farnham, Acton Vale and Nicolet. Negotiations are in progress with other municipalities on the proposed system.

Exploration for natural gas

(Continued on page 71)

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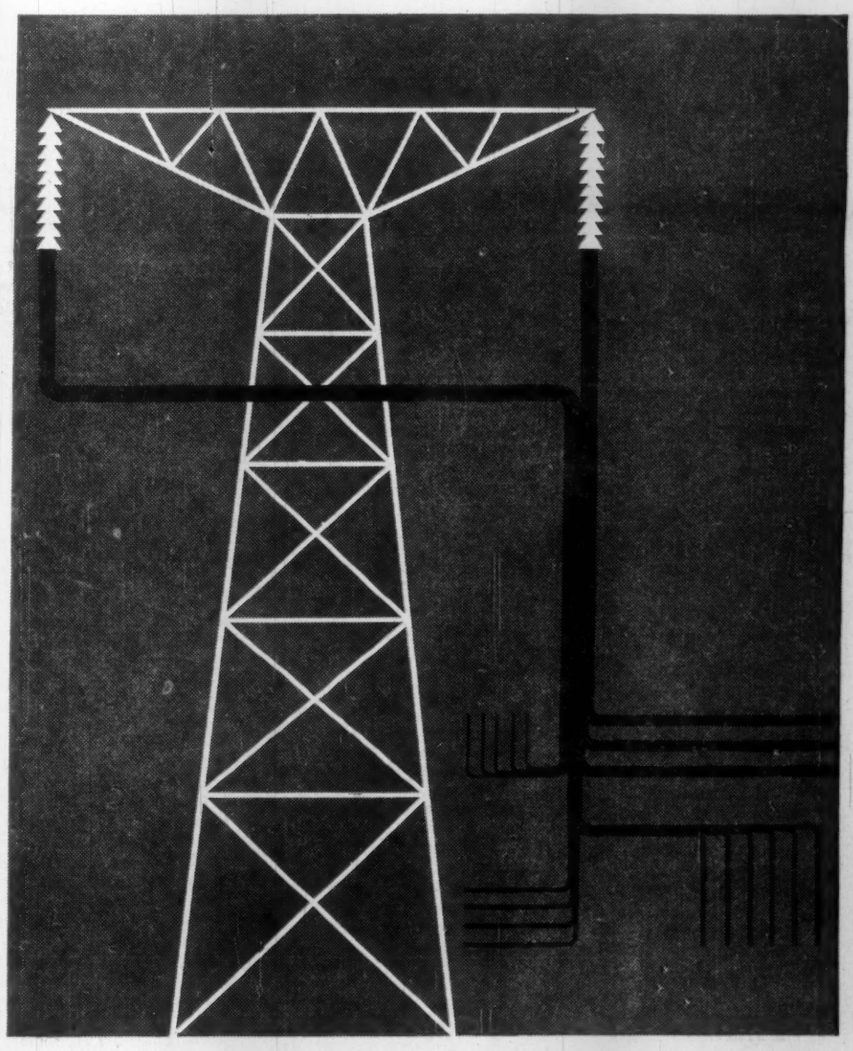

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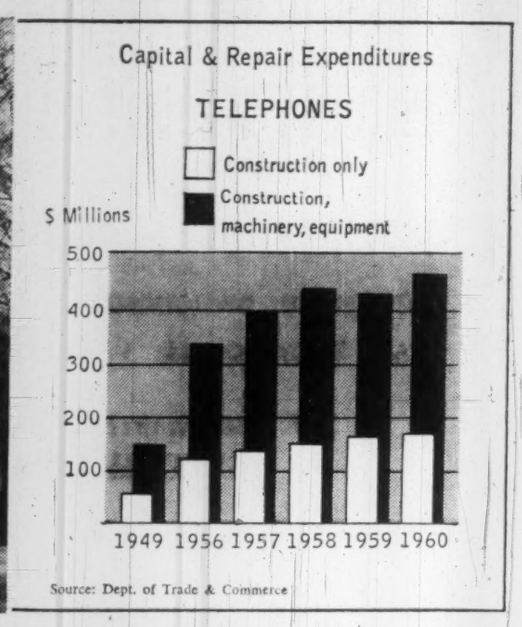
BERSIMIS II
Final stage

HYDRO QUEBEC

This fifth and last mammoth turbine is lowered into place in the Bersimis II Powerhouse. This operation marked the final phase in the conquest of one of the mighty rivers of the North Shore wilderness to serve ever-expanding industrial Quebec.



Source: Dept. of Trade & Commerce

Telephone Cos.

(CONTINUED FROM P. 68)

ed $4,349,000, obtained from the parent **Anglo-Canadian Telephone Co.** in the form of advances covered by short-term notes. Anglo also purchased an additional 400,000 shares for $2.6 million to replace previously outstanding short-term notes.

In April, 1959, exchanges at Campbell River, Powell River, Prince George and Dawson Creek joined the continental operator distance dialing network.

A 900-megacycle microwave system was extended to Prince George from Kamloops to replace the VHF radio system. The north coast VHF radio system was extended from Vancouver to Prince Rupert and connected to Annette Island, Alaska.

Operating revenue in 1959 was $3,507,000, an increase of 16% over $3,019,000 in 1958. Operating expenses increased 15% to $2,833,000, leaving a net profit of $372,895 ($200,255 a year earlier).

Approval was given to the company's application for increased rates, effective Jan. 1, 1960. This is expected to provide additional toll and exchange revenue amounting to $221,000 annually.

Outstanding capitalization at Dec. 31, 1959, consisted of 600,000 npv ordinary shares and 100,000 5% cumulative preferred shares, $10 par.

Long term debt amounted to $1.5 million.

Okanagan Tel.

Okanagan Telephone Co., Vancouver, owns and operates a local and long distance telephone system throughout the Okanagan Valley of British Columbia.

Company had 25,566 telephones in service at the end of 1959, an increase of nearly 1,500 in the year.

Unaudited net profit last year amounted to $221,473, compared with $207,802 in 1958.

Earnings per common share (unaudited in 1959) equaled 80c a share in 1959 against 75c the year before.

Capital expenditures totaled $1,390,429 and included conversion of the last manual exchange to dial.

In April, 1959, company joined the continent-wide dialing system to provide operator distance dialing to its subscribers.

Direct distance dialing is scheduled for Penticton and Kelowna in 1960 and for Vernon and Salmon Arm early in 1961.

Quebec-Tel.

Québec-Téléphone operates a system serving 18 counties along the St. Lawrence River and Gulf of St. Lawrence, and west and south of Quebec City. Gross income from sale of services in 1959 was $7.9 million, an increase of 23.1% from $6.5 million the year before.

Increase resulted from demand for greater volume of service and for new services, and from increase in rates.

Net profit last year was $1,325,063 ($1.57 per common share) compared with $1,030,786 ($1.24) in 1958. Number of common shares outstanding rose to 657,458 compared with 655,381 at the end of 1958.

At the end of 1959, there were 58,582 telephones in service compared with 52,043 a year earlier. Expenditures for new and improved services were $3,918,868 last year.

In December, 1959, company issued and sold $3 million principal amount of 5¾% first mortgage bonds.

Outstanding capitalization at Dec. 31, 1959 included $12.9 million in eight series of first mortgage and general mortgage bonds, including two series of a subsidiary firm, of which $75,000 is outstanding; 183,064 5% preferred shares ($20 par); 98,900 5½% preferred shares ($20 par); 618 Class A shares; 657,458 npv common shares.

Company expects considerable growth. The toll network is growing at the rate of about 10,000 circuit-miles a year. Open wire facilities in the principal toll routes are becoming inadequate to meet traffic requirements and will be replaced in planned stages by toll cable. Carrier equipment applied to these cables will greatly boost ultimate circuit capacity.

Forecasts of the commercial department envision 129,000 telephones in service within 15 years—an increase of about 150%.

Sask. Gov't Telephones

Saskatchewan Government Telephones, a crown corporation operating the province's telephone system, set a new record for growth in 1959.

During the year, 13,214 telephones were added to the system, bringing the total to 172,769 system-owned telephones in service at year-end. In addition, local and long distance switching facilities are provided for another 50,568 non-system telephones.

Backlog of applicants waiting for service was reduced to 283 at Dec. 31, 1959, from 701 a year earlier.

Twenty-four hour service is provided to 93.6% of the system owned and rural telephones and for all centres served by a local hospital or resident physician.

Long distance calls originating in Saskatchewan increased 9% over 1958 to 9,729,999.

All six Saskatchewan TV stations are connected to the national network. The microwave facilities were extended to Yorkton, Prince Albert and Moose Jaw stations in 1959.

There were 268 mobile telephones in operation at the end of 1959, of which 62 were provided during the year.

Gains in long distance and local service revenue resulted in higher net income and operating revenue. Total operating revenue increased by $2,209,828 to $18,880,755 in 1959. Net income after interest was up $435,357 to $1,614,056.

Operating expenses were $14,807,306, up from $13,346,100.

The 1960 expansion program will include dial switching equipment at 16 points, six new automatic exchanges and the extension of operator distance dialing to 10 provincial exchanges.

Capital assets of Saskatchewan Government Telephones amounted to $98.3 million at Dec. 31, 1959, an increase of $7.7 million from a year earlier.

Gas Companies

(CONTINUED FROM P. 70)

deposits is being continued by the company. St. Maurice is retaining its interest in potential acreage in the St. Lawrence lowlands and has applied for renewal of natural gas and petroleum rights on 60,000 acres held by a wholly-owned subsidiary, **Inter-City Propane, Inc.**

Twin City Gas

Twin City Gas Co., Fort William, Ont., operates a natural gas distribution system in the Lakehead area of northwestern Ontario. Service is extended to Fort William - Port Arthur, Dryden, Red Rock, Nipigon and Geraldton, Ont.

Company is approximately 78% owned by **Northern Ontario Natural Gas Co.**, which provides financing under a loan agreement for up to $3 million and further amounts as may be required.

Outstanding loans at end of 1958 totaled $350,000. Loans amounting to $1,265,586 were made during 1959. Twin City repaid $150,000 during the year, leaving a balance of $1,465,586 at year-end.

Company obtains its gas supply from Northern Ontario under a purchase agreement.

(See also separate coverage on Northern Ontario Natural Gas Co.).

Union Gas

Union Gas Co. of Canada, Chatham, Ont., directly and through subsidiaries, produces, transmits and distributes natural gas in southwestern Ontario.

Company and subsidiaries supply more than 210,000 customers in an area extending from Windsor to Dunnville and from Lake Erie to Owen Sound.

Ontario Natural Gas Storage & Pipelines Ltd., a wholly-owned subsidiary, handles storage, purchase and transmission facilities. Union's gas purchase agreement with **Trans-Canada Pipe Lines** is assigned to this company. Ontario Natural Gas also stores gas for **Consumers' Gas Co.**

Company owns 89,902 of the outstanding 90,000 common shares of **United Fuel Investments Ltd.**, Hamilton (see separate report).

Union's gas purchase contract with Trans-Canada Pipe Lines is for 20 years and covers annual volumes of gas increasing progressively to 64 billion cu. ft. Price of gas under this contract is 39c per mcf.

Company and subsidiary operate over 420 mi. of gathering lines, 1,650 mi. of transmission lines and 2,830 mi. of urban and rural distribution lines.

At last report, production was obtained from 1,408 wells in southwestern Ontario. Nearly 1,100 of these were acquired from **Dominion Natural Gas Co.** in 1958. Exploration has been reduced in recent years as ample gas supplies are available from western Canada and U. S.

Transmission and distribution facilities of **Norotta Gas Co.** were purchased in August, 1959.

Total revenue for the 12 months ended Sept. 30, 1959, was $30 million, up $9.8 million from the preceding 12-month period. Net profit for the latest 12 months was $2,786,000 (52c per common share) vs. $2,008,000 (45c) in the 12 months ended Sept. 30, 1958.

Results for latest fiscal year (ended March 31, 1960) are not yet available. In 1958-59 fiscal year, consolidated net profit was $2.8 million (61c per share) against $2.6 million (32c) the year before.

Company obtains a large part of its revenue during the heating season in the second half of its fiscal year.

Temperatures in the 1959/60 season were somewhat higher than normal, company says.

Capitalization consists of 170,000 authorized and issued 5½% cumulative redeemable preferred shares, $50 par; and 4,413,750 npv common shares outstanding of six million authorized.

Funded debt at March 31, 1959, totaled $54.7 million. It consisted of $17,950,000 first mortgage and collateral trust bonds and $16,750,000 debentures of the company; and $20 million first mortgage bonds of Ontario Natural Gas Storage.

United Fuel

United Fuel Investments Ltd., Hamilton, Ont., is a holding company which, through a subsidiary, distributes natural gas in the Hamilton area.

Company's operating subsidiary, **United Gas Ltd.**, distributes and sells natural gas in Hamilton, Oakville, Burlington, Dundas, Georgetown and other communities adjacent to Hamilton. United Gas acquired the assets of its subsidiary, **United Suburban Gas Co.** in April, 1959.

Former wholly-owned subsidiary, **Hamilton By-Product Coke Ovens Ltd.**, was sold to **Steel Co. of Canada** in December, 1959.

Supplies of gas are obtained from **Ontario Natural Gas Storage & Pipelines Ltd.**, under a 20-year contract signed in 1957.

The agreement entitles United Gas to buy natural gas in volumes ranging from 4.25 billion cu. ft. in the first year to 14.5 billion cu. ft. in the thirteenth and subsequent years.

Since the program of conversion to natural gas started late in 1955, company has spent over $10 million on the change-over and expansion of services.

Volume of gas sales in year ended March 31, 1959 (latest data available), was 4,267,212 mcf, of which 53.3% was sold to residential customers and 46.7% to industrial and commercial customers.

Consolidated net profit in year ended March 31, 1959, was $137,376, 67% lower than preceding year's $415,829. Earnings were equal to $1.53 per class A share ($4.62). On the class B and common shares, loss per share equalled 83c (vs. 91c net profit year before).

A prospectus issued in 1958 in connection with United Gas financing indicated the following earnings pattern for company:

Net profit (after taxes) of $119,000 in 1959; $231,000 in 1960; $439,000 in 1961; and $590,000 in 1962.

Outstanding capitalization at March 31, 1959, consisted of 90,000 6% class A preferred shares, $50 par; 69,689 non-cumulative class B preferred shares, $25 par; and 90,000 npv common shares. Class B stock participates pro rata with common in any payments of dividends over and above distribution made on class A.

Union Gas owns 89,902 of the common shares.

Funded debt totaled $6.5 million 5¼% first mortgage sinking fund bonds, due 1977, of United Gas Co. and $500,000 4¼% first mortgage bonds of Hamilton By-Product Coke Ovens, due Dec. 1, 1959.

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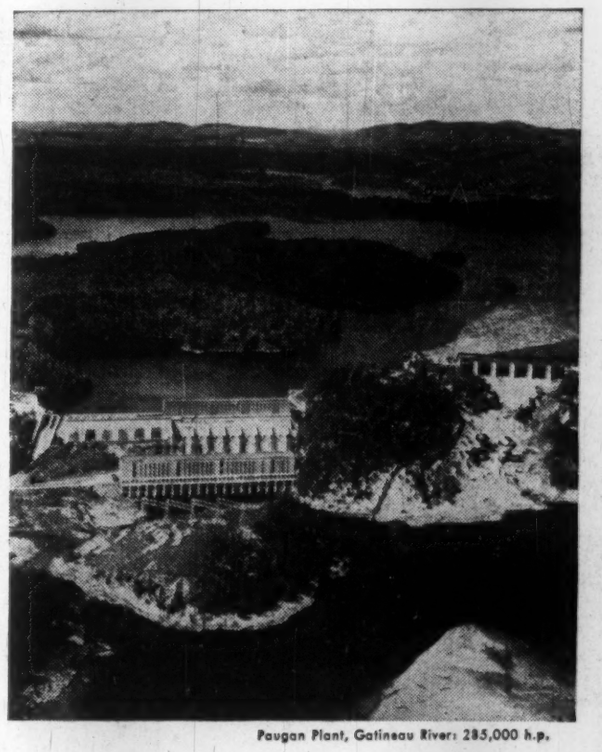

Paugan Plant, Gatineau River: 285,000 h.p.

When this Company came into being in 1926 a vast programme of construction was undertaken.

Since that time 15 power stations, having an installed capacity of 734,094 h.p. have been constructed or acquired, and 28 separate distribution properties have been consolidated and expanded into a single system serving wholesale and retail consumers which will exceed 100,000 in number during the current year.

Year by year, in anticipation of growth in demand, the power resources have been increased by the installation of additional generating units, supplemented by quantities of purchased power; high voltage transmission lines, primary substations, secondary transformer stations, distribution circuits, and many other facilities have been constructed and installed.

This continuing programme of expansion brings the comforts and conveniences of electric service farther and farther into outlying districts over the ever growing system, provides for the power requirements as far ahead as it is reasonably possible to foresee, and assures the continued economic expansion of this well-endowed portion of the Province of Quebec.

For any business seeking a new location we offer prompt, understanding cooperation

GATINEAU POWER COMPANY

HULL, QUE. — CANADA

Holding Companies

(CONTINUED FROM P. 54)

each 10 common shares held. Offer expires May 11.

Outstanding capitalization of the subsidiary at Dec. 31, 1959, included six series of registered debenture stock, totaling £3.9 million; £1.5 million in preference shares, ranging from 5% to 7%; and £2 million ordinary shares, £1 par value, the latter all owned by the parent company.

Mexican Light

Mexican Light & Power Co., Toronto, furnishes nearly half the total energy needs of Mexico. Together with subsidiaries, it controls and operates the lighting and power system in Mexico City, the Federal District of Mexico and parts of several neighboring states. The area served comprises approximately 12,000 sq. mi. and has a population of more than 5.6 million.

Total electric energy generated and purchased during 1959 amounted to 3,959 million kwh, 7.5% higher than in 1958. The company's hydro plants generated 1,616 million kwh, up 16% from 1958.

Energy purchased from the Federal Electricity Commission increased 59% to 1,979 million kwh. This was the largest amount ever taken from the commission's Miguel Aleman system.

As a result, thermoelectric generation decreased 65% to 364 million kwh.

Sales were up 7% to 3,184 million kwh. This was a smaller increase than in 1958, and less than the cumulative average annual increase of 11%.

Kilowatt-hour increase in consumption in 1959 was approximately 4.7% from high tension industrial and mining services, 9.5% from commercial and low-tension industrial customers, 8.4% from residential services and 3.6% from government services including tramways.

Average consumption per residential customer was 870 kwh in 1959 (864 kwh in 1958).

Number of customers increased to 747,919 from 693,829.

Consolidated net profit for 1959 was $5,109,011 ($4,434,473 in 1958). Earnings per common share amounted to $1.88 ($1.66).

Company has an application pending with the tariff commission for an average rate increase of about 14%. This would allow for a 10½% return on equity.

To meet anticipated requirements for 1962 and 1963, plans are under way for a new thermoelectric plant in the central area of the system. The first of four 125,000 kw units is scheduled for completion at the end of 1962 and the second unit a year later.

Based on a continued increase in demand of 10% per annum, construction program for the next five years is expected to require new investment of approximately $140 million.

Outstanding capitalization at Dec. 31, 1959, consisted of 853,244 preferred shares, $13.50 par, and 2,267,568 npv common shares. Funded debt totaled $78,243,841.

Dividends paid per common share consisted of $1 in cash and 5% stock.

Total assets at 1959 year-end totaled $263,060,728 compared with $251,751,929.

Power Corp.

Power Corp. of Canada is a holding and management company which also provides consultant, technical and engineering services to subsidiary and associated companies, as well as others.

Company controls or has big interests in numerous public utility companies. It also has non-utility interests.

Power Corp. controls: **East Kootenay Power Co., Northern Quebec Power Co., Northern British Columbia Power Co., Imperial Investment Corp., G. M. Gest Ltd.** and **355 St. James St. West Inc.**

Power Corp's stock interests include: **British Columbia Power Corp., British Newfoundland Corp., Shawinigan Water & Power Co., Avalon Telephone Co., United Towns Electric Co., Canadian Oil Companies, International Utilities Corp., Quebec Natural Gas Corp., Trans-Canada Pipe Lines Ltd., Greater Winnipeg Gas Co., Royal Bank of Canada, Canadian Power & Paper Securities Co, Bathurst Power & Paper Co, International Nickel Co of Canada, Canadian Celanese Ltd** and **Dominion Dairies Ltd**

At June 30, 1959, company's investment portfolio had a book value of $50.6 million and market value of $86.7 million. This compares with $43.6 million and $79.1 million respectively a year earlier.

Net profit for the year ended June 30, 1959, was $2,200,589 or $2.53 per common share. This compares with $2,273,054 or $2.65 in 1957-58.

Allowing for full participation by the 6% preferred shares, company's portfolio at June 30, 1959, represents a break-up value of about $89 per common share against $80 at June 30, 1958. Gross revenue for 1958-59 was $3,019,875 compared with $3,133,368 for preceding year. Decrease was attributed mainly to a reduction of some $180,000 in dividends from Bathurst Power & Paper Co. Operating expenses declined from $384,239 to $313,713, reflecting economies resulting from changes in the administration and engineering organization.

At June 30, 1959, outstanding capitalization comprised $4.5 million 3½% 20-year debentures due Sept. 1, 1967; $5 million 5½% debentures due March 1, 1977; 120,000 4½% cumulative redeemable first preferred shares ($50 par); 119,457 6% non-cumulative participating preferred shares ($50 par) and 619,855 common shares (npv).

Venezuelan Pr.

Venezuelan Power Co., Halifax, N.S., is a holding company, incorporated in June, 1959, to acquire the outstanding capital of **Luz Electrica de Barcelona** and common stock of **C.A. Fuerza Electrica** (CAFEL).

The Barcelona subsidiary produces and distributes electric power in Barcelona, Lecherία and part of Puerto La Cruz in eastern Venezuela. Company has a combined generating capacity of 5,986 kw. It operates under franchise from city of Barcelona, to which it supplies all power needs. About 50% of the power load is distributed to Puerto La Cruz.

Generating capacity of CAFEL is 3,408 kw. Power is mainly supplied to oil and oil service companies.

Construction is under way for installation of an additional 11,000 kw generating capacity in Anaco. Project, which will cost approximately $3.4 million, will also include substations in Anaco, Sueña Vista and San Joaquín.

Company has estimated net profit of $162,000 on power sales of $963,000 in 1959, following completion of the Anaco expansion. Profits are expected to increase by 1961 to $779,700 on gross power revenue of $3,290,000. Annual report for 1959 is not yet available.

In June, 1959, $2 million 6½% 15-year sinking fund debentures, series A, due 1974, were sold to the public at par. Each $1,000 debenture carries warrants to buy 80 preferred - common stock units at $10.01 per unit, until July 15, 1964.

At the same time, 100,000 units consisting of one 6% cumulative redeemable preferred share, $10 par, and one npv common share, were sold at $9 per unit.

Outstanding capitalization following the financing consisted of 280,000 6% preferred shares, $10 par and 280,022 npv common shares.

A-Power Costs Before Committee

How soon will atomic power be economic in Canada?

This will be one of the prime questions considered shortly by a 20-member committee of the House of Commons when it studies Canada's atomic energy and nuclear research programs.

Recent cost estimates will be placed before the committee by officials of **Atomic Energy of Canada Ltd.**, but these estimates have not been made public yet.

Actual costs will not be available until nuclear power plants are completed and under operation for some time.

Canada is scheduled to receive its first nuclear power in mid-1961 when a prototype plant (NPD-2) at Rolphton, Ont., comes into operation.

The building for this 20,000 kw plant is complete. The reactor is being installed. A turbine is to be delivered later this year.

A full-scale plant, called CANDU, will start supplying 220,000 kw to heavily populated southern Ontario by late 1964 or 1965.

Some clearing and road work has been done at the site at Douglas Point on Lake Huron. The reactor is still being designed, though a contract has been awarded for the generators.

Both NPD and CANDU will use natural uranium oxide as fuel. Costly heavy water will be used as coolant and moderator.

AECL has come under fire for its decision to base Canada's atomic power program on plants using natural uranium as a fuel and heavy water as the control and heat-transfer agent.

In reply, the crown corporation's president, Dr. J. L. Gray, says:

"No country and no person knows with any certainty what type of nuclear power plant will ultimately prove to be the most attractive economically for any specific purpose or in any geographic locality.

"In Canada in 1960, considering our experience and natural resources, all the officials and directors of AECL are firmly convinced that our best prospect is to investigate thoroughly by demonstration and full-scale plants the economic and technological advantage of heavy water reactors."

If the CANDU-type of nuclear station proves economic when compared with conventional thermal power plants, it could save Canada millions of dollars of U. S. funds.

Power demand is growing so rapidly in southern Ontario that by 1970 it is expected to be double that of today.

Hydro power sources are nearly exhausted, so new power must be thermal.

This means the importation from the U. S. of more and more coal, a growth that might be slowed by competitive nuclear power.

Dr. G. C. Laurence, director of research and development, AECL, predicts that by 1967 CANDU type plants will be producing competitive power in southern Ontario.

"So by 1970 we may expect a growing use of nuclear energy for central generating stations in some parts of Canada. Thus, by 1975, I can imagine several million horsepower of nuclear power station capability in Canada."

Other experts think this competitive position will not be reached until several years later.

Dr. John Davis, director of research and planning, **British Columbia Electric Co.**, has said that the competitiveness of nuclear power may be delayed by the tendency of the cost per kilowatt hour of conventionally produced power to decline over the past decade.

"On this continent the effective cost of buying coal, oil and natural gas for the generation of electricity dropped from four mills in 1948 to three mills per kwh in 1959."

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Miscellaneous

Elk Creek Waterworks

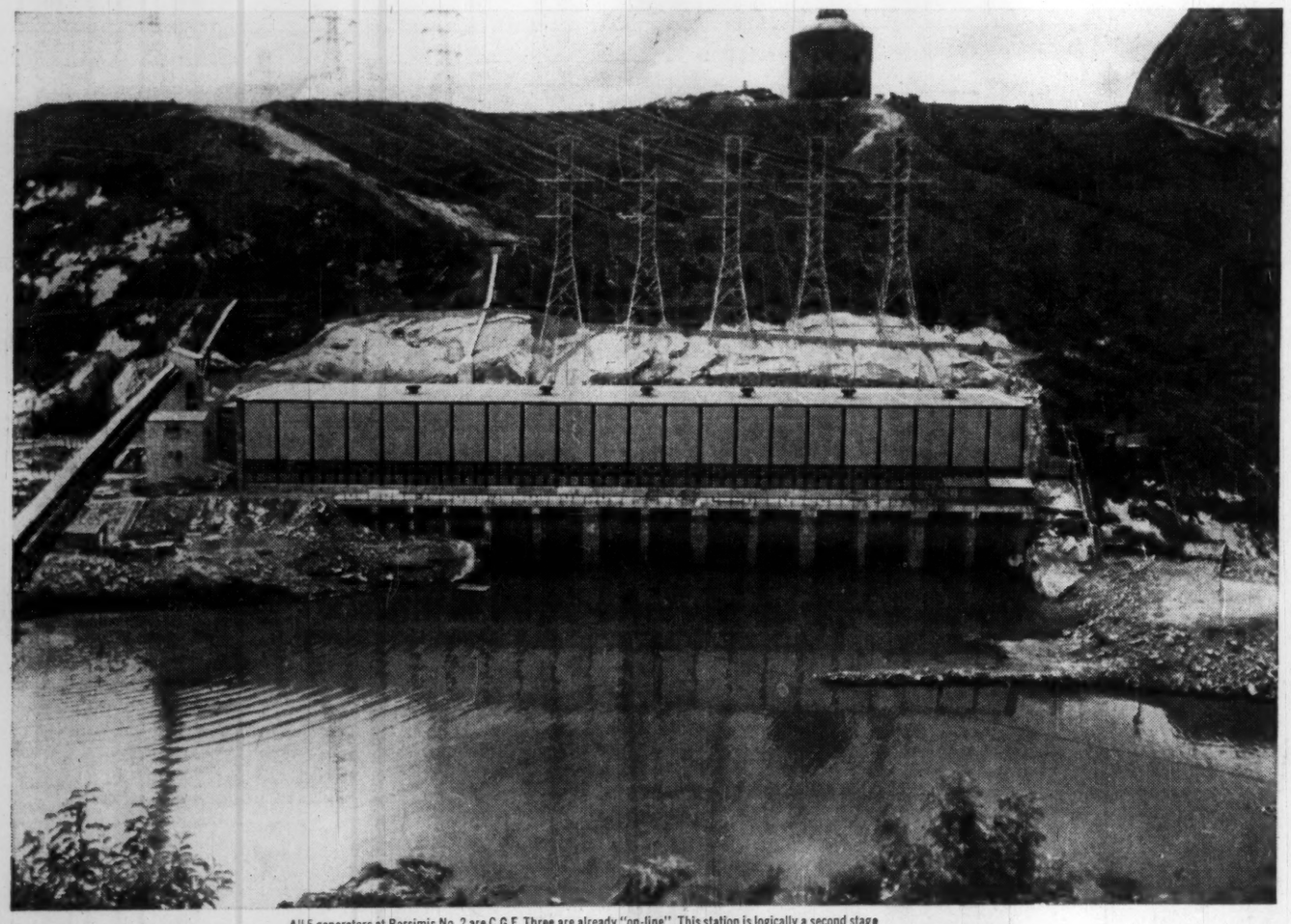
Elk Creek Waterworks Co., Vancouver, handles under franchise the water distribution systems at Chilliwack, Rosedale, Sardis, and surrounding districts.

Operating in the Fraser River valley, company draws its water from several tributary streams. Storage is maintained in a 2.5 million gallon reservoir. The reservoir on the outskirts of Chilliwack, was enlarged from one million gallons in 1957.

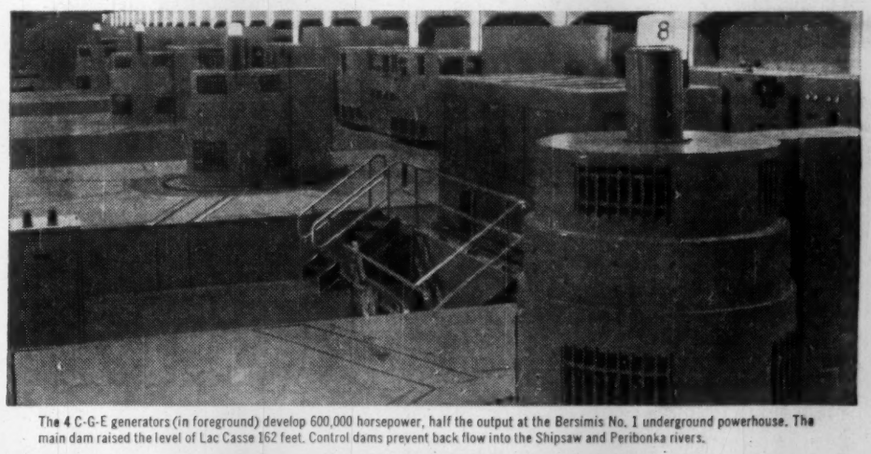
Net profit in 1959 was $43,052, up slightly from the previous year's $41,313. An increase of $9,987 in gross revenue in 1959 was largely offset by higher operating costs and municipal taxation.

At the end of 1959, company served over 5,000 customers in the area.

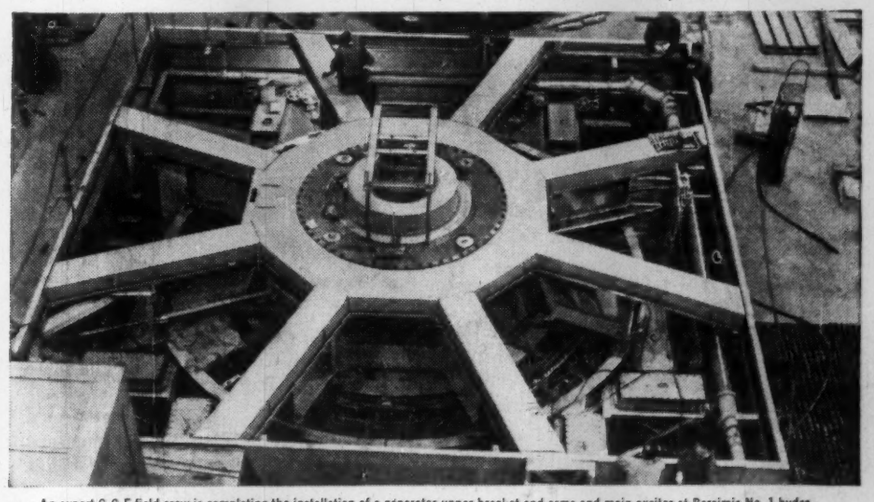
Capitalization at Dec. 31, 1959, included $273,000 4¼% first mortgage bonds Series A, due Jan. 1, 1968; $84,000 4¾% first mortgage bonds Series B, due May 1, 1971, and $75,500 5½% debentures, due April 1, 1964. Total of 110,000 common shares were outstanding.



All 5 generators at Bersimis No. 2 are C.G.E. Three are already "on-line". This station is logically a second stage development of Bersimis No. 1, although a separate station with its own storage lake and transmission lines.



The 4 C-G-E generators (in foreground) develop 600,000 horsepower, half the output at the Bersimis No. 1 underground powerhouse. The main dam raised the level of Lac Casse 162 feet. Control dams prevent back flow into the Shipsaw and Peribonka rivers.



An expert C-G-E field crew is completing the installation of a generator upper bracket and arms and main exciter at Bersimis No. 1 hydro-electric station. The total weight of each generator is approximately 600 tons.

C-G-E GENERATORS CONTRIBUTE 1½ MILLION HORSEPOWER TO HYDRO QUEBEC'S BERSIMIS DEVELOPMENT

The Bersimis development is a marvel of thoroughness. Every drop of usable water in the river and the regional drainage area is being conserved for hydro-electric power.

This tremendous project which involves two hydro-electric stations, one of them underground, reflects great credit on Hydro-Quebec, their consulting engineers, and on all the personnel concerned with the development.

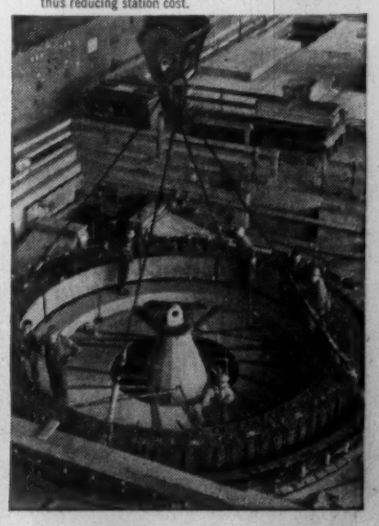
Canadian General Electric was chosen to build nine of the thirteen generators for Bersimis. Each is nominally rated at 120,000 kva. At the Bersimis No. 1 station four of these have been delivering 600,000 horsepower during the past year and a half. At Bersimis No. 2, three of the five planned for this station are already "on-line". With the completion of Bersimis No. 2 this year, the nine C-G-E Generators at these two stations will develop a total of 1½ million hp.

Naturally, Canadian General Electric is proud to play a major part in projects of this stature; but regardless of the size or nature of your *own* requirements, we have the facilities, personnel, and *interest* to serve you well. We invite you to consult the nearest C-G-E sales office; or write to: Apparatus Department, 107 Park Street N., Peterborough, Ontario.

GENERAL ELECTRIC GENERATORS

At Bersimis No. 2, the rotor spider is lowered into position, after the stator with its completed winding has been accurately centred and the C-G-E pre-compressed, spring-supported thrust and guide bearing carefully installed.

C-G-E technicians install last of rotor rim segments before fitting rotor poles and fans. By building the complete rotor incrementally in the generator pit it allows the use of a smaller capacity station crane, thus reducing station cost.



Apparatus Department

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